

Annex

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Report of Proceedings

from 6 to 10 April 1981

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Appearing at the same time as the English edition are editions in the six other official languages of the Communities: Danish, German, Greek, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken: *(DA)* for Danish, *(DE)* for German, *(GR)* for Greek, *(FR)* for French, *(IT)* for Italian and *(NL)* for Dutch.

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IN THE CHAIR: MRS VEIL

*President*

*(The sitting was opened at 5 p.m.)*

**President.** — The sitting is open.

1. *Resumption of the session*

**President.** — I declare resumed the session of the European Parliament adjourned on 26 March 1981.<sup>1</sup>

2. *Urgent debate*

**President.** — I have received, pursuant to Rule 14 of the Rules of Procedure, various requests for urgent debate.

I shall consult the House on these requests for urgency on Wednesday morning. If the requests are approved the items will be entered on Friday's agenda. I call Mr Pannella on a point of order.

**Mr Pannella.** — *(IT)* Madam President, I am speaking on a point of order concerning Rule 14 of the Rules of Procedure. I know that there is a usage to which we may refer but I also think that there is a clear difference between use and abuse.

Rule 14(1) states, Madam President, that the vote on such requests for urgent procedure shall be taken at the opening of the next following sitting. The opening of the next following sitting, Madam President, in the case of announcements of requests for urgent procedure by the Council and Commission and also by our own members, is tomorrow morning. I therefore ask for our Rules of Procedure to be respected fully on this point instead of abusing them.

Moreover, Madam President, Rule 14(3) states that items on which urgent procedure has been decided shall take precedence over other items on the agenda. Therefore, Madam President, against a usage which is in fact an abuse and with reference to the actual provisions of the Rules of Procedure, I would ask for the

request for urgent procedure on Turkey to be put to the vote tomorrow morning and then to take precedence over the other items instead of being postponed to Friday. I repeat that there is a problem of substance here and, Madam President, if you will allow me to say so, I should like a final tribute to be paid to our Rules of Procedure which will not actually be superseded until next May but which have, in the meantime, suffered gravely under attacks from the majority of Members of this Assembly.

**President.** — This question has been discussed many times. I would remind you that up to a few months ago we used to vote on requests for urgency from Tuesday morning onwards but a large majority of the House took the view that it could not properly vote on Tuesday morning as the texts were received too late for the groups to discuss them and decide on the position they should adopt.

With regard to the request for urgent debate on the motion for a resolution on Turkey, the Socialist Group announced this morning through its chairman that it also intended to table a motion. As a general rule it is unanimously agreed that, when several requests for urgent debate are tabled on the same subject, a single decision should be taken on them and they should be debated jointly. For this reason Parliament has on several occasions requested that votes on request for urgent debate should only take place on Wednesday morning and that the topic itself should be debated on Friday morning.

The amount of business to be completed in the time available to us does not allow us to enter the debate on the subject itself before Friday although there is no reason why the question of Turkey should not be raised during the debate on foreign policy on Wednesday afternoon. This question was dealt with at length by the group chairmen and your group, Mr Pannella, which was represented, agreed to the inclusion of the decision on urgency on Wednesday morning's agenda.

I call Mrs Vayssade.

**Mrs Vayssade.** — *(FR)* Madam President, I was surprised to find that the report on the abolition of the death penalty had not been included on the agenda although I had thought that the Legal Affairs Committee agreed on this. Could you tell me why this report has not been placed on the agenda and when it will be debated?

**President.** — The reason this report has not been entered on the agenda is that we have not yet received the opinion of the Political Affairs Committee. As

<sup>1</sup> *Wellcome — Petitions — Documents received — Texts of treaties forwarded by the Council — Withdrawal of motions for resolutions — Authorization to draw up reports — Entry into force of new Rules of Procedure: see Minutes.*

**President**

soon as we receive it it will be possible to deal with it in the plenary sitting.<sup>1</sup>

3. *Order of business*

**President.** — The next item is the order of business.

At its meeting of 10 March 1981 the enlarged Bureau drew up the draft agenda which has been distributed (PE 72.439/rev.).

At their meeting this morning the chairmen of the political groups instructed me to propose the following changes:

At its request the Commission shall make a statement on farm prices on Wednesday at 3 p.m.

A report by Mr Gautier on behalf of the Committee on Agriculture, on a fisheries agreement between the EEC and Canada, which could not be dealt with during the last part-session, should be included on Thursday's agenda after the agricultural reports.

At the request of the Committee on the Environment, Public Health and Consumer Protection the report by Mr Muntingh on the conservation of Antarctic marine living resources (Doc. 1-79/81) should be included without debate on Friday's agenda immediately after the urgent debates.

I call Mr Seefeld.

**Mr Seefeld.** — (*DE*) Madam President, it is not my habit to seek changes in the agenda. If I am doing so on this occasion it is because of the serious concern felt by Members of this Parliament who are interested in transport policy because three reports have been placed on the agenda in such a way that they will in all probability not be debated until the late evening of Thursday. The report by Mr Carossino — concerning the weight of road vehicles in the European Community — is of great political importance and involves points which are open to some argument. Since a number of amendments are also likely to be tabled, I see little point in holding the debate in what I am afraid will be an empty Chamber.

As regards the report by my colleague, Mr Klinkenborg on infrastructural measures in the transport

sector, I should like to remind you, Madam President, that it was already adopted by the Committee on Transport on 29 October and has been held over repeatedly by the plenary sitting. I hope you will take note of my concern. I am afraid that these reports will not receive discussion commensurate with their importance if the agenda stands as it is at present. I should be grateful if these three reports could be taken at an earlier time on Thursday.

(*Applause from various quarters*)

**President.** — Mr Seefeld, under the Rules of Procedure this request to change the agenda has been made too late. Moreover other reports entered earlier are also highly important. It is very difficult to make a qualitative selection between reports.

We can only hope that a sufficient number of people will be present when the report you have referred to is debated, should the debate be held on Thursday evening.

I call Mr Patterson.

**Mr Patterson.** — My group would like Item 332, which refers to the terms of reference of committees, to be withdrawn from today's agenda. You will recall that it already appeared on our draft agenda in February and was then withdrawn. We understood that it was being redrafted. Yet here it is again today, exactly the same as it was before.

As it stands at present, Madam President, it has two basic defects: first, there are several areas of overlapping or conflicting responsibility between committees which are unresolved. The number of amendments — now 46 — bears witness to this fact. Secondly, and perhaps more importantly, the terms of reference of different committees have been drafted in very widely differing formats. Now, this may not seem to be, on the face of it, a big defect. After all, we have existed for 1¾ years with no written terms of reference at all, but the question then arises, what is the purpose of having written terms of reference? Surely it must be to give clear guidelines for the future when possible conflicts of competence must arise. These written terms of reference are, after all, to be annexed to the Rules of Procedure and if they are to be done at all, Madam President, they should be drafted with the same care as the Rules of Procedure themselves.

So, what should happen now? In my opinion, the matters of substance should now be discussed at a meeting of all the committee chairmen. As to the form, this should now be dealt with by the Committee on the Rules of Procedure and Petitions, as an annex to the rules. This is what should have happened in the first place.

<sup>1</sup> *Decision on the urgency of the motion for a resolution by Mr Deleau and others on small and medium-sized undertakings (Doc. 1-20/rev.): see Minutes.*

**Patterson**

Madam President, my group does not wish to criticize Mr Vandewiele, who has done as well as could be expected in an unsatisfactory procedure. But there is no rush, Madam President, as I say we have existed for 1¾ years without written terms of reference and if we are to have them, they must be drawn up correctly. My group would, therefore, like this matter of the terms of reference to be withdrawn from the agenda.

**President.** — I was about to announce that I have received from your group a request for the withdrawal of this proposal. However I shall still have to consult the House.

I call Mr Nyborg.

**Mr Nyborg.** — (DK) On behalf of the Group of European Progressive Democrats, I wish to support the request from the Conservatives for this item to be removed from the agenda. As Mr Patterson quite rightly said, more than 40 amendments have been tabled which indicates clearly enough the need for closer consideration of the text. I therefore wish to support the procedural arrangements proposed by the Conservatives. I believe it would be proper to look into the text more closely so that we can be quite sure that its content is appropriate. Particularly as the text is to be annexed to the Rules of Procedure, it would seem necessary for it to be drafted most carefully to avoid the need for subsequent changes from one moment to the next.

I agree in this connection with Mr Patterson that it is not the fault of Mr Vandewiele since Mr Vandewiele had an extremely difficult task in drafting his report on a very unclear basis. I therefore support the proposal made by the Conservative Group for this item to be held over until a later sitting.

May I also point out that I have tabled an amendment to Mr Vandewiele's report, not because I had expected this item to be taken, but simply as a protest at the fact that no allowance has been made for the proposal to set up a Committee on Fisheries in this context as had been proposed some time ago. I in fact made a proposal to that effect many months ago and I had hoped that it could be taken into consideration at this stage.

**President.** — I call Mr Sieglerschmidt.

**Mr Sieglerschmidt.** — (DE) Madam President, I wish to speak against any change in our agenda on one point at least. May I ask you to consider whether Parliament could not take a decision on those matters which are not the subject of amendments, e.g. definition of terms of reference agreed upon jointly by the Political Affairs Committee and the Legal Affairs

Committee. I should like here to raise one point which is in my opinion quite scandalous: the Commission of the European Communities expressed its position in a detailed memorandum last year on the important matter of the European Community accession to the European Convention on Human Rights. For 18 months the Legal Affairs Committee has been unable to give its attention to this matter because the formal problem of the respective terms of reference of the Political Affairs Committee and the Legal Affairs Committee has not been clarified even though the committees agree on the substance of the matter.

Madam President, I understand the reasons of those colleagues who support a postponement but I would ask you to see to it that at the very least this scandalous interim situation is not allowed to persist.

**President.** — I do not see how we can divide Mr Patterson's proposal as we are required to decide on the matter as a whole. However, even if this item is deleted from the agenda, what you say remains true and an attempt must be made to find a solution without waiting for a solution of the question of terms of reference to which you referred and on which I believe agreement can be reached. The Bureau will deal with it.

*(Parliament approved the request for the withdrawal of the motion for a resolution)*

This afternoon I received from Mr Ansart, on behalf of the 19 French Members of the Communist and Allies Group, a request to organize during the present part-session a debate on document COM(81)67/final on the problems in the iron and steel industry.

I would point out that a report on this topic by Mr Ingo Friedrich, on behalf of the Committee on Economic and Monetary Affairs, is due to be submitted during the May part-session.

*(Parliament rejected the request for the entry of this item)*

I call Mr Pannella on a point of order.

**Mr Pannella.** — (FR) Madam President, may I ask you for a clarification. You said 'by Mr Ansart on behalf of the 19 French Communist Members', but I think you probably meant on behalf of the Communist and Allies Group because, according to our Rules of Procedure, only a political group of possibly more than 21 Members may request a change in the agenda...

*(Laughter)*

**President.** — Mr Pannella, I have in front of me the text of Rule 12. Six Members can table a motion to

**President**

amend the draft agenda even though they do not form a single political group. I thought you were familiar with the Rules of Procedure, Mr Pannella . . .

*(Laughter and applause)*

**Mr Pannella.** — *(FR)* Mea culpa, Madam President.

**President.** — I call Mr Bonaccini.

**Mr Bonaccini.** — *(IT)* Madam President, may I draw your attention to the fact that the report by Mr Welsh which appears on tomorrow's agenda is not yet accompanied, to the best of my knowledge, by the opinions of the other committees. I should therefore be grateful if you would elucidate the matter.

**President.** — I call Mr Welsh.

**Mr Welsh.** — In the absence of Sir Fred Catherwood, the chairman of the committee, perhaps I as rapporteur could say that, as far as we know, no committee was asked to give its opinions on this particular report, for two reasons. The first reason is that it is extremely urgent. The Commission is in fact meeting on Wednesday to draw up formally its proposal for a negotiating directive. It is of course extremely important that Parliament's opinion should be available to the Commission before they go through that exercise. The second reason is that this, of course, is the beginning of a long series of negotiations. This is the first report, this is a marker that we are putting down. Obviously, throughout the period of negotiations there will be plenty of opportunities for other committees to give opinions on what is happening as things progress, and no doubt Parliament will wish to deliver an opinion on the result of the negotiations as a whole when they are completed some time towards the end of this year.

**President.** — The report has in fact been submitted in accordance with the Rules of Procedure, so there is no reason to delete it from the agenda.

I call Mr Lezzi.

**Mr Lezzi.** — *(IT)* Madam President, I just wanted to point out that requests for opinions were made. But, given the need to enable Parliament to adopt or debate the Welsh report, lack of time, translation problems and so on it was impossible to forward the opinions to the committee responsible. But the primary objective of enabling Parliament to deliver its opinion before the Commission lays down its definitive guidelines has been attained and we shall therefore have to come to terms with the problem raised by Mr Bonaccini.

**President.** — Thank you for that item of information. However, the committees themselves have indicated that they accept the inclusion of this report on the agenda.

The agenda is therefore fixed.<sup>1</sup>

#### 4. *Speaking time*

**President.** — I propose to allocate speaking time for the debates for this part-session as set out in the draft agenda.

I call Mr Pannella.

**Mr Pannella.** — *(IT)* Madam President, I should not be making this point yet again were it not for the fact that the new Rules of Procedure which will, I think, be entering into force on 4 May next, took over the existing Rule 28 in an even worse form in the new Rule 65.

Now what are you actually proposing for this part-session, Madam President? On Tuesday we are to be allowed to speak, as a political group, for eight minutes on four important items on the agenda. On Wednesday, a day on which a debate of extraordinarily great importance is to be held, we are to have seven minutes speaking time on the five items which appear on the agenda. On Thursday we shall have eight minutes for thirteen items on the agenda.

May I point out, Madam President, that in our national Parliaments, time is taken from individual members and given to political groups to enable them to put their views. Your way of arranging our debates on the other hand prevents the groups from putting their views. If the purpose of your action is to enable the political families and groups to express their views there can be no difference between a statement of the opinion of a large political group and that of a small group. Well now, we should far more often adhere to the ten minutes or five minutes for all the political groups while possibly granting additional time to the big groups. But it is quite clear, Madam President, that your way of going about the conduct of our affairs does not in fact enable the political groups to express their views.

In conclusion, Madam President, I should like — if you will permit me — to make a personal appeal. The existing Rules of Procedure and the new Rules give

<sup>1</sup> See Minutes for details of order of business, speaking time and deadline for tabling amendments.

**Pannella**

the President of this Assembly the right to invoke these particular provisions. You have the right but not the obligation to do so. But in so far as you automatically invoke this right you do not enable more equitable arrangements to be made for the various groups. I therefore venture to hope, Madam President, that in future, under the new Rules of Procedure, you will not automatically use this right but, as is only proper for a President, will only invoke it for unusually serious reasons. Otherwise it would be much more honest to abolish that part of the Rules of Procedure which gives Members of Parliament the normal right to speak. I hope, however, that you will give thought to the matter, Madam President, and in future enable the groups to agree on more equitable solutions among themselves without taking upon yourself a responsibility which is so serious that I do not think you should always have to assume it on your own.

**President.** — Mr Pannella, you frequently ask the President to apply the Rules of Procedure. Speaking time is allocated in accordance with Rule 28 of the Procedure and it is not for me to change the way in which it has been calculated. You refer to the national parliaments; these parliaments have much more time at their disposal than we have for debates in plenary sitting where everyone wishes to have as many items as possible included. This has been discussed many times in the enlarged Bureau. There are only twenty-four hours in a day and sixty minutes in an hour. Therefore, regrettably, speaking time has to be curtailed. Where possible we allow a certain flexibility and in fact some people find that the debates are too long drawn out. We have a fixed agenda for today which must be respected so that we are forced to restrict speaking time as provided for in our Rules of Procedure.

Are there any other comments?

Speaking time is fixed.<sup>1</sup>

*5. Action taken by the Commission on the opinions of Parliament*

**President.** — The next item is the communication by the Commission on action taken on the opinions and proposals of Parliament.<sup>2</sup>

I note that no one wishes to speak.

*6. Decision on urgency*

**President.** — The next item is the decision on the urgency of the *motion for a resolution by Mr Sieglerschmidt and others (Doc. 1-75/81): Right to strike of officials of the European Parliament.*

I call Mr Sieglerschmidt.

**Mr Sieglerschmidt.** — (DE) Madam President, ladies and gentlemen, during our last part-session we experienced a conflict between two fundamental rights, namely the right of this House and of its committees to meet unhindered and the right to strike which is unquestioned in all our Member States. In the view of the authors of this motion whose urgency is now for the House to decide, that conflict between two fundamental rights seems to require clarification in order to give Parliament a sufficiently firm basis to decide how to act if events of this kind recur in future as they may well do.

The matter appeared urgent because it seemed quite likely that similar occurrences would confront us at one of our next part-sessions. The discussion of this matter by the House during our last-session, immediately after the events in question, appeared logical and necessary. However, the real purpose of this motion is to consult the Legal Affairs Committee as soon as possible with a view to detailed discussion of this matter followed by the submission of appropriate recommendations to the House.

I have since spoken to several signatories of the motion and to Members and leading figures in other political groups to decide whether an urgent debate is still appropriate during this part-session. We have come to the conclusion that it would be preferable to convert this into a motion under Rule 25. We base that decision on the assumption that a substantial majority of Members of this House consider that this matter still requires urgent discussion in the Legal Affairs Committee which should already begin to give consideration to it at its next meeting. That being so, Madam President, I would ask you to convert this motion into a motion under Rule 25 instead of Rule 14 and to forward it without delay to the Legal Affairs Committee.

**President.** — As the request for urgent debate has been withdrawn the motion for a resolution will be referred to the competent committee.

<sup>1</sup> See Minutes.

<sup>2</sup> See Annex.

### 7. Request for waiving of immunity of a Member

**President.** — The next item is the report by Mrs Gaspard, on behalf of the Legal Affairs Committee, on the request for the waiving of parliamentary immunity of a Member (Doc. 1-72/81).

I call Mrs Gaspard.

**Mrs Gaspard, rapporteur.** — (FR) Madam President, ladies and gentlemen. This is the first time that our directly elected Assembly has had to consider a question of parliamentary immunity. Our predecessors in the former Assembly were only called upon to do so once, in May 1964. Today we must therefore lay the basis of a procedure or decide on the matter of principle. The report before you is short but that does not imply that the Legal Affairs Committee has not given the matter detailed attention. On the contrary, it has considered the specific case and also the point of principle at considerable length. For several months it has been examining the status of Members of Parliament in the ten Member States to ascertain their immunity and has tried to define a legal position on the procedure to be followed in our Parliament. We have done so pending the delivery, as is desirable, of an opinion on changes and additional provisions to be embodied in the protocol on the privileges and immunities of Members of the European Parliament.

Before turning to the case in hand, allow me to remind you of the foundations of the concept of immunity and of the texts on which our proposed decision is based. The concept of immunity is directly linked to that of democracy and to the separation of powers. In the late XIVth century in England, the concept began to appear when a member of the House of Commons, Thomas Huxey, was sentenced to death for taking the initiative in tabling a bill denouncing the scandalous practices of the court of Richard II and the resulting financial burden on the taxpayer. The idea of the imperative need for Members of Parliament to discuss and debate in Parliament without interference from the executive or judiciary made its appearance as long ago as that.

At the origin of the French parliamentary system in 1793, a second aspect of immunity became clear when Robespierre obtained the adoption of a resolution depriving the judiciary of the right to initiate proceedings against a member of parliament. The two aspects of parliamentary immunity had therefore been defined by the early XIXth century. To the principle that an elected representative bears no civil or criminal responsibility for opinions or votes expressed or cast by him in the exercise of his official duties, France thus added the concept of inviolability according to which a member of parliament cannot be arrested for a criminal or other offence committed by him without the authorization of the assembly to which he belongs.

In the ten Member States today, Members of the national Parliaments benefit from immunity which is enshrined in every case in the constitution. The content of that immunity varies from one Member State to another, but its purpose is always to ensure that the work of Parliament is not disturbed by the possibly arbitrary arrest of one of its members; a further aim is to protect the freedom of expression of an elected representative in the exercise of his official functions.

The immunity of Members of the European Parliament is defined in the Protocol on the privileges and immunities of the European Communities; reference to it is made in Article 4(2) of the Act of 20 September 1976 on the election of representatives to the Assembly by direct universal suffrage. As to the procedure for lifting immunity, we have based our considerations on Rule 51 of the Rules of Procedure. What do the texts actually say? Article 10 of the Protocol to which I referred indicates that 'for the duration of the sessions' — a term to which we shall return in a moment — 'Members of the Assembly shall benefit on their national territory from the immunity recognized to members of the parliament of their country and, on the territory of any other Member State, from exemption from all measures of detention and judicial action.' Furthermore this immunity naturally covers Members of Parliament while travelling between their place of residence and the place of meeting of the Parliament. It cannot be invoked, as is also the case in our national parliaments, when a Member is caught in the act of committing an offence and the Assembly itself clearly has the right to lift that immunity when it considers this appropriate — and it is for that very purpose that we are discussing this matter today.

In 1964 when the European Assembly was called upon to pronounce for the first time on the lifting of the immunity of three Luxembourg Members of Parliament who were involved in a libel action, the Court of Justice was asked to clarify the meaning of the words 'duration of the session'. The problem was to determine whether Members of the European Parliament were covered by immunity at times when our Assembly was not actually meeting. The Court handed down its judgment on 12 May 1964. Parliament holds an annual session during which its Members are fully covered by the immunity stipulated in the Protocol and that holds good also for the periods between part-sessions.

Against that background let us now return to the Gouthier case. On 14 October, Madam President, you referred to us a request from the authorities of the Italian Republic for the immunity of our colleague to be lifted. Pursuant to Rule 51 (2) of the Rules of Procedure that request was forwarded to the Legal Affairs Committee which considered the facts and procedural matters and also heard our colleague in accordance with the Rules of Procedure.

**Gaspard**

May I remind you of the facts of this case while pointing out that it is not for us to judge them; we have simply to pronounce on the lifting of immunity or the refusal to do so. However, it is useful to know the facts: by reason of the fact that he spoke during a public demonstration on 24 December 1979 in favour of peace and disarmament at a place where the said demonstration was not permitted — it had been authorized to take place a few hundred yards away — Anselmo Gouthier was accused of the offence stipulated in Article 18 of the single text of the law on the public security of the Italian Republic. The court to which this case was referred suspended its proceedings against Anselmo Gouthier by reason of his office as a Member of the European Parliament. That is why the case has now been referred to us.

The Legal Affairs Committee found that the facts on which the case brought against Anselmo Gouthier was based are quite evidently linked to the exercise of his mandate. Anselmo Gouthier spoke at the meeting in his capacity as a Member of Parliament. In such cases the chambers of the Italian Parliament do not grant the authorization provided for in Article 68 of the Italian Constitution, in other words they always refuse to lift parliamentary immunity. After discussing the matter, the Legal Affairs Committee therefore considered that it was its duty to recommend Parliament not to lift the immunity of our colleague. Ladies and gentlemen, I would therefore ask you to approve this decision which was adopted unanimously by the Legal Affairs Committee.

*(Applause)*

**President.** — I call Mr Ferri.

**Mr Ferri, chairman of the Legal Affairs Committee.** — *(IT)* Madam President, ladies and gentlemen, Mrs Gaspard has presented us with a report of exemplary completeness and clarity so that I might myself have refrained from taking the floor.

But, as Mrs Gaspard pointed out, this directly elected Assembly is being asked to pronounce for the first time on a request for the parliamentary immunity of one of its Members to be lifted. I therefore believe it my duty, as chairman of the Legal Affairs Committee which, on the basis of our Rules of Procedure, is responsible for reporting to the House on matters of this kind, to call your attention to a number of points.

I do not wish to go into the theoretical aspects; suffice it to say that provision was made for parliamentary immunity in the Treaties even before this Assembly was elected by direct universal suffrage, in other words, at a time when it was composed of Members designated by the national parliaments who benefited from the immunity laid down in the respective national constitutions. The Treaties therefore stipu-

lated a specific form of immunity which only the European Assembly had the power to suspend or revoke. That was so under the old arrangements and is obviously even more justified today for our Assembly elected by direct universal suffrage which, as recently recognized in a judgment of the Court of Justice, represents, in the overall context of the balance between the European Institutions, the indispensable democratic component as the direct expression of the will of the people.

There can therefore be no doubt about the theoretical or juridical foundation of this immunity. It remains for the Assembly itself to exercise, with the greatest possible care and sense of responsibility, the task of pronouncing on requests for immunity to be lifted.

The case now before you, ladies and gentlemen, is exemplary in the sense that it is entirely and solely political in nature — so much so that we maintain that it falls even more within the province of Article 9 of the Protocol on Immunities than within that of Article 10. A necessary condition for impunity exists in this case since a representative of the people who speaks in public to express his views to electors in his own constituency — as Mr Gouthier did — is in my judgment and in that of the case law on this subject, performing an act which must be treated as the exercise of his own duties in the fullest sense of the term. The Legal Affairs Committee did not wish to engage in a theoretical discussion: it unanimously recognized the not only eminently but indeed exclusively political nature of the facts and unanimously proposed that the request for immunity to be lifted should be turned down.

My second point, Madam President, relates to the formulation of the decision. The Committee of which I am chairman unanimously felt that the decision in this matter should be a simple and straightforward decision unaccompanied by any explanatory statement or factual considerations. The recitals are confined to references to legal provisions, treaties, and provisions of the Italian Constitution applicable in this instance and to the judgment of the Court of Justice interpreting the meaning of the term 'session'.

In my own opinion and in that of the Legal Affairs Committee no amendments seeking to add considerations totally extraneous to the issue, can be entertained in the case of a decision of this kind. A concise explanatory statement is attached to the resolution. Parliament has therefore a single duty: it must consider the facts before it and then decide in favour of or against the request for immunity to be lifted. The opinion of the Legal Affairs Committee is that this must be done through a single vote on the Committee's proposal on the understanding that if that proposal is rejected Parliament is in fact adopting a contrary opinion.

I know that Mr Pannella has tabled an amendment seeking to add to the text of the resolution a factor

**Ferri**

which, albeit essential, must remain in the explanatory statement attached to the resolution, namely a reference to the political nature of the facts at issue. I would ask Mr Pannella to consider the arguments which I have put forward and which are in any case based on the procedure followed by both the Chamber and Senate of the Italian Parliament, and therefore withdraw this amendment. In connection with subsequent changes to the Rules of Procedure, this whole matter will however have to be submitted to the Committee on the Rules of Procedure and brought before the House because the committee of which I am chairman felt it essential to obtain further clarification on this point.

The last consideration to which I wish to draw your attention arises in the explanatory statement accompanying Mrs Gaspard's resolution. This is not of course a binding argument but it is nevertheless important for the purpose of the adoption of our decisions: when faced with facts of an exclusively political nature not only in their aims and motivation but also in their material form, both houses of the Italian Parliament — the Chamber and the Senate — make it a constant practice to reject requests for immunity to be lifted.

On behalf of my whole committee I therefore have the honour to associate myself with the rapporteur's conclusions and call upon Parliament to vote in favour of the report which proposes that the Italian courts request for the immunity of our colleague, Anselmo Gouthier, to be lifted should not be complied with.

**President.** — I call the European Democratic Group.

**Mr Tyrrell.** — Madam President, there are just a few words I would like to add to what has been said by the rapporteur and by the chairman of the Legal Affairs Committee.

First of all, this is a new issue for the Parliament, not only for the reasons they gave but because, until direct elections, all Members of this Parliament were also Members of another Parliament and therefore had either dual immunity or none at all as the case might be. In this case, we have a Member who is not a Member of another Parliament. We are concerned with the first part of Article 10 of the Protocol to the Merger Treaty, which provides that

Members shall enjoy, in the territory of their own State, the immunities accorded to members of their parliament.

In the Italian State — and the Member concerned is a citizen of that State — the matter is dealt with specifically by Article 68 of the Constitution, where immunity is granted which only the Chamber to which he there belongs can waive. I would emphasize that the Member himself cannot waive the immunity: only the Parliament can do so. That is the case in Italy; it is

also the case in this Parliament. So there is no question here of the Member concerned, Mr Gouthier, coming to the Parliament and asking us not to waive his immunity; on the contrary, he has left it entirely to the Parliament to decide.

We in my group have no enthusiasm for immunity of Members. On the contrary, we believe that there should in principle be no special immunity for Members. We believe the days of Richard II, which the rapporteur referred to, are now well behind us. On the other hand, we bear in mind that there may be some Member States where this immunity is necessary, and it is a matter for them to decide when to dispense with it. One thing is certain: we are not willing that Members of this Parliament should receive in their own States less protection than members of their own national parliament receive. That is a weighty reason which we bear in mind. We are assured that in the circumstances of this case the Italian Parliament would refuse to waive immunity; so, in these circumstances, we think in this case we should do likewise.

Mr Gouthier's case is a plain case. There will, perhaps, be other cases in the course of time which are not so plain; and it is therefore important that the Legal Affairs Committee, in collaboration with the Committee on the Rules of Procedure and Petitions, should continue with its work to develop a set of principles which protect Members only where necessary and which accord with the spirit of the Treaty.

**President.** — I call the Liberal and Democratic Group.

**Mr Irmer.** — *(DE)* Madam President, ladies and gentlemen, the Liberal and Democratic Group greatly welcomes the fact that the case of Mr Gouthier has given us an opportunity today to say a few general words on the subject of immunity. I am particularly glad to take this opportunity because the public often misunderstands the true significance of immunity. We often meet citizens who ask why a Member of Parliament should enjoy privileges which are denied to the man in the street. Why should a Member of Parliament be specially protected and enjoy immunity from criminal proceedings when the ordinary citizen has to answer for his actions in the courts?

Madam President, there is a serious misunderstanding here and I think the same misunderstanding was reflected in the words of our colleague Mr Tyrrell of the Conservative Group; it is not a matter of a personal privilege of a Member of Parliament. This issue is one of guaranteeing the ability of Parliament to function. As Mr Tyrrell rightly said, the Member himself cannot waive his immunity; even if he personally would like to face the courts he may only do so if Parliament as a whole lifts his immunity.

**Irmer**

Of course we are no longer living in the days of bloodthirsty kings. Of course immunity is a right which has grown in the course of history. But I still believe that we should always bear in mind one principle: the general freedoms acquired at great cost in the past by forcing excessively powerful executives or governments to grant them, must be maintained at all costs today. It would be quite wrong to imagine that we can lean back and say that there is no need to do any more about it. We cannot just sit back and enjoy fundamental rights, parliamentary rights and, in this particular instance, parliamentary immunity.

Ladies and gentlemen, we must therefore consider the immediate relevance of this right to immunity and take it as an example of the fact that basic rights must be defended constantly. I therefore decisively oppose the words of Mr Tyrrell who suggested that immunity should really be gradually abolished. The Gouthier case now before us is a concrete example of an attempt to take criminal proceedings against a Member of Parliament on grounds of purely political activities carried out in the context of his parliamentary mandate. There is no problem of definition here. No doubt in future we shall have to consider other cases in which problems of definition will occur and in which action bordering on the criminal may have serious political implications or be politically motivated. But the Gouthier case is in the nature of a classical example. Where should we be going, ladies and gentlemen, if we were to permit a government or judiciary to curtail the activities of a Member of Parliament who has merely made use of his fundamental parliamentary and political rights? Madam President, the Liberal and Democratic Group therefore considers it imperative not to lift the immunity of Mr Gouthier. We shall endorse the proposal of the Legal Affairs Committee.

**President.** — I call the Group of the European Peoples' Party (Christian-Democratic Group).

**Mr Janssen van Raay.** — (NL) Madam President, I had not intended to speak in this debate on behalf of the Group of the European People's Party, because we unanimously felt that Mrs Gaspard's report should be supported. I have nevertheless asked to speak because I find it necessary to dissociate my group from the ideas which seem to emerge from Mr Tyrrell's speech. When the Legal Affairs Committee unanimously voted in favour of the resolution contained in the Gaspard report which rejected the request for immunity to be lifted, not one of us imagined that the intention was to give a special, privileged position to Members of the European Parliament. Quite the contrary. We simply want Members of the European Parliament to have no less rights than their colleagues in their respective national parliaments. That is what it amounts to.

I subscribe to that view as a Dutchman. We do not have a procedure of this kind in the Dutch Parliament, but if other countries do there is no reason whatever why Mr Gouthier should be placed in a less favourable position than his Italian colleagues simply because he now happens to be a Member of the European Parliament. We felt this case to be an important precedent. I shall not go into the matter any further. Mrs Gaspard and our chairman, Mr Ferri, speaking on behalf of the whole Committee, have made themselves sufficiently clear. May I just make one point: we do not see this as an attempt to claim rights which ordinary citizens do not enjoy. That is precisely why we fully support the content of this report and the reasoning which underlies it. We did not want a long debate on this matter. Mr Ferri has explained the reasoning. The House can vote in favour of the resolution in which case the request will be rejected. If on the other hand a majority vote against the resolution the request will be accepted. However, I can see no special reason to vote against the text and I assure you that we shall support Mrs Gaspard's report unreservedly and without any ulterior motives.

(Applause)

**President.** — I call the Communist and Allies Group.

**Mr Chambeiron.** — (FR) Madam President, it is quite natural for me to speak in this debate in support of Mrs Gaspard's report because Mr Gouthier is a Member of Parliament who belongs to my own group. But that is not my principal reason. My main reason is one of substance. I am entirely in agreement with the words of the rapporteur and of the chairman of the Legal Affairs Committee who, as Mr Janssen van Raay reminded you, was speaking on behalf of us all because we belong to the same Legal Affairs Committee.

The fundamental problem is, I think, this: a parliamentary mandate cannot possibly be exercised unless the Member of Parliament is protected against certain attacks which may be made against him. We have many examples of this in our history or in the history of our countries. When I was a member of my national parliament, I belonged to the committee responsible for considering parliamentary immunity and I know that requests for immunity to be lifted sometimes conceal motives which may well involve a wish to harm a person who represents the will of the people. I think that in a democracy — and we claim here to be a democratic Parliament — the representative elected by the people must benefit from the guarantees which exist in all democratic countries. That seems to me to be sufficient reason to endorse the conclusions of our rapporteur and the proposal made by our chairman, Mr Ferri, without hesitation.

**President.** — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

**Mr Pannella.** — *(IT)* Madam President, I feel bound to join the previous speakers in welcoming this excellent report and the reasoning put forward by Mrs Gaspard in support of the decision before us.

But the debate which has taken place shows that this outstanding report nevertheless hides a series of problems which must be dealt with most carefully, especially since — as Mr Ferri pointed out — we are beginning to create precedents in an area of particular importance. We all agree on the historic and contemporary reasons for which parliamentary immunity must be ensured for Members of Parliament in the exercise of their official duties and in the context of their civil and political rights from which, moreover, all citizens must benefit. But let me in all frankness make a distinction, especially as this first request for parliamentary immunity to be lifted concerns Italy: we are in favour of immunity but not of impunity. I must say to Mr Tyrrell that I do not share his concern. Mr Tyrrell said that the Italian Parliament would not have accepted this request for immunity to be lifted and that we could not therefore accept it either. But, Mr Tyrrell, that is a very dangerous point of view. Does it mean that if, in one of our ten countries, we had a parliament which protected the corrupt, we would automatically have to follow suit? We all know that many of our Italian leaders are corrupt.

*(Strong protests from the Italian Members in the centre)*

I believe that a large section of the Italian leading class is corrupt. And in Italy it is scandalous to see how, under the protection of parliamentary immunity, persons who are responsible for common law crimes enjoy impunity in the commission of their offences.

I would therefore warn this Parliament against the arguments put forward by Mr Tyrrell. We cannot be content with merely recording the jurisprudence of other parliaments. In my view, it may well be that the Italian Parliament — with the support of all the political parties — has in the past often given the protection of parliamentary immunity for offences which are essentially offences under common law committed by members of our parliament. And we may even hope that the Christian-Democratic Group is trying to mend its ways. 110 Christian Democratic Members of Parliament have signed a document denouncing the leniency with which Parliament . . .

*(Interruption by Mr Romualdi)*

So according to you, Mr Romualdi, dirty linen should be washed in private?

*(Interruptions)*

Madam President, our Rules of Procedure allow interruptions with your permission. I am only sorry that Mr Romualdi did not ask to use his microphone when he made his interruption so that only a few of us had the opportunity to appreciate his outlook which, in my view, is scarcely worthy of a parliamentarian in that he seems to suggest that dirty linen should be washed in private. I believe on the contrary that it should be washed in public at the very place where it is dirtied and at the very time when — this is a mere hypothesis — a Member of the European Parliament regardless of his nationality is accused of a crime under common law and not of a political offence. If there is any suspicion of political persecution we, Mr Romualdi, must claim the right to clear our reputation as European and Italian Parliamentarians of all suspicion.

Madam President, from that point of view I see a great danger in the precedent which the chairman of the Legal Affairs Committee, my friend and colleague Mr Ferri, is seeking to create although his intellectual honesty and juridical knowledge are surely such as to warrant a tribute from us all. Mr Ferri is in effect saying that our Assembly must confine itself to accepting or rejecting the whole of the decision. That would be an extremely serious precedent, Madam President. Why? Rule 51 of our Rules of Procedure states that the appropriate committee shall consider the request but without going into the merits of the case. But Mr Ferri should not expect the Parliament as a whole, assembled in plenary session, to be constrained to follow the same method as the committee. It is true that paragraph 5 of Rule 51 states that the discussion shall be confined to the reasons for or against the waiver of immunity. But our Assembly, after hearing the committee, must look into the merits of the case and consider the reasons for which immunity should or should not be lifted. We may be confronted with serious cases, Madam President, in which it will be difficult to ascertain in all conscience whether an action was eminently political or of a different nature. We know how fluid the distinction is — even from the point of view of an objective judgement — between political disobedience, political freedom and an offence under common law. Legislative provisions exist in this area: but in Italy the fascist code of Rocco is still in force and it still happens that constitutional expressions of the freedom to express individual opinions are treated as offences. We therefore wish to table an amendment for a reason of substance. I believe it is our duty to affirm the principle of the defence of the political rights of Members of Parliament regardless of the constitutional and juridical situation of our respective countries. If, to make an assumption, our constitutions were changed in an authoritarian manner what should we do? Should we adjust to them? That is why I would ask Mrs Gaspard to accept my amendment which by inserting the words 'having regard to the eminently political nature of the action at issue' makes it quite clear that our Parliament — regardless of the pronouncements of the constitution or of national law — will never give authority to

**Pannella**

institute proceedings when the request is clearly political in nature.

Madam President, we therefore agree with Mr Irmer who stated that this immunity is not intended to give Members of Parliament privileges but to protect Parliament itself against *vulnera periculosa*. Normally then we must be accountable to the courts in our own countries; but in exceptional cases when the courts of our respective countries wish to take action on political grounds while invoking the criminal code as an alibi, we must intervene to correct that perverse use of the law to the detriment of Members of Parliament.

That is why we shall be tabling our amendment and we hope that the committee will adopt it. Otherwise we should be creating the precedent of Parliament having to accept the verdict of the committee as an intangible text. That would be a serious distortion of the relationship between the committees and the Assembly. I am surprised that this proposal should have been made. We as Members of Parliament cannot agree to the Assembly being confronted with a kind of dictate by a committee which says you must either take the whole text or leave the whole text.

**President.** — I call Mr Tyrrell on a point of order.

**Mr Tyrrell.** — Madam President, there seems to be some misunderstanding as to what I said in regard to what Mr van Raay and Mr Irmer said. What I in fact said was that we were assured that in the circumstances of this case the Italian Parliament would refuse to waive immunity and that we think this Parliament should do likewise, and that is what my group intends to do.

**President.** — I call Mr Schieler.

**Mr Schieler.** — (DE) Madam President, ladies and gentlemen, the rapporteur has pointed out that this is the first time that the directly elected Parliament has had to consider lifting the immunity of a Member. I shall take this as an occasion for a few observations on the procedure and a suggestion concerning our own Rules of Procedure. May I say at once that I agree with the conclusions of the report. However, I have my doubts as to whether the procedure followed here, which may set a precedent for the future, is correct. There can be no question of wrapping Members as it were in cotton wool and protecting them from criminal proceedings. However, there can also be no question of bringing a member before a kind of second tribunal. I think that the procedure followed by us should respect to some extent the privacy of the individual member. To that extent I share the concern expressed by Mr Pannella on the basis of Rule 51 of

the Rules of Procedure. That provision states that the Committee does not look into the merits of the case and that the House as a whole must consider the reasons for or against the waiver of immunity.

I consider a debate of the kind that we are holding now and which may in future extend to all the individual circumstances of a particular case, to be inadmissible. I therefore hope that the Legal Affairs Committee will be asked to find a way of examining this problem in committee to prevent the need for a lengthy debate to be conducted here in each individual case. The only result is that a Member must then be abnormally exposed in this Chamber to the discussion of matters which would not be raised in the case of an ordinary citizen.

**President.** — I call Mr Cariglia.

**Mr Cariglia.** — (IT) Madam President, I believe that the statement by my colleague from the Christian-Democratic Group as to the position, or what he believed to be the position, of the Italian Parliament in such a case must cause all of us to reflect on the reasoning adduced in support of the views put forward by the Legal Affairs Committee. We must speak in total frankness: Mr Gouthier is quite right and I shall vote against the request by the Italian authorities for action to be instituted against him.

But the question which we must ask and which is in this instance indirectly being put to the Italian Parliament also, is whether — had the violation of the same law been committed by a citizen who does not enjoy immunity — in a similar case a private citizen would have to submit to the force of the law and face criminal proceedings. I do not accept the corollary of Mr Pannella's statement but I do accept the substance of his concept; we are in effect voting for a justified privilege which we believe Mr Gouthier should enjoy since he has the sacrosanct right to express his opinion even if it conflicts with the law of his own country. But we must recognize that if the law of his country were applied to an ordinary citizen the latter would face criminal proceedings. We cannot therefore say that we are adopting our position because the Italian Parliament would have adopted a similar position. It probably would have behaved in the same way but it was the self-same Italian Parliament which enacted a law prohibiting any citizen from speaking in a public place if the event at which he speaks has not been authorized. That is a principle which we cannot overlook if we are to consider the true nature of the facts.

**President.** — I call Mr Ghergo.

**Mr Ghergo.** — (IT) Madam President, Mr Pannella said that all Members of the Italian Parliament are

**Ghergo**

corrupt. He was then kind enough to say that only the overwhelming majority are corrupt.

The Italian Parliament does not need anyone to speak in its defence and I have neither the authority nor the desire to do so. I just want to point out that Mr Pannella expressed his view and I shall now put my own view which has at least the same value as his: I maintain that the overwhelming majority of the Members of the Italian Parliament are honest, correct and dedicated to the public good. My opinion has one advantage over his namely that it is sanctioned by the freely expressed vote of the Italian people whom he has insulted today.

**President.** — I call Mr Ferri.

**Mr Ferri.** — *(IT)* Madam President, I wish, indirectly, to raise a procedural point.

We are discussing a delicate and serious subject and it seems to me that we have strayed from the true point. The explanatory statement accompanying the report by the Legal Affairs Committee states, and I quote: 'The Legal Affairs Committee has also established that the Chambers of the Italian Parliament do not grant authorization . . . in the case of events of a clearly and exclusively political nature. This may not however prejudice the final decision to be taken by the European Parliament in accordance with the Treaties.'

That is not a mere gloss but an element of judgement which is not arbitrary, ladies and gentlemen, because Article 10(a) of the Protocol accords to the Members of this Assembly, on their national territory, the same immunity as is granted to Members of the parliament of their own country. Given that reference is made to the legal situation in their respective countries, I believe that the Legal Affairs Committee was quite right to take as an element in its judgement — not as an absolute consideration but as one which is useful in reaching our decision — the practice followed by the respective national parliament in similar cases.

My second point, Madam President, is that Mr Pannella has distorted the sense of the Legal Affairs Committee's proposal. The fact that the Committee states that amendments are not admissible obviously does not imply that there can be no discussion of the reasons for which Parliament says yes or no.

Our only point is that those reasons cannot be set down in the resolution. I shall quote a different example to show why it would not be acceptable to include in the decision considerations relating to the facts attributed to the individual member concerned. In a particularly serious case or where the offence concerned is one of common law only, someone might propose that the waiver of immunity should be stipulated in the resolution, but by doing so we should be

exceeding our authority because we should be passing a kind of anticipated sentence which would do serious harm to our colleague who would have to face trial following out decision to waive his immunity.

All the arguments and reasoning put forward in the debate will be duly recorded but they must not be embodied in the resolution whose text will subsequently be forwarded to the competent authority.

**President.** — I call Mr Pannella.

**Mr Pannella.** — *(IT)* Madam President, I wish to make a personal statement on the basis of Rule 31 (a) of the Rules of Procedure.

Mr Ghergo attributed to me words which I did not use. If you read the record of this sitting you will see that I did not say 'all members of parliament' but a broad section of the Italian leadership.

However, since Mr Ghergo has really invited me to do so, may I, by way of example, remind you that the administrative secretary of his own political party, Mr Micheli, is facing a whole series of requests for authorization to face proceedings under common law on the grounds of corruption, fraud and similar offences which are so numerous that not even the bandits of the Abruzzi or of Sardinia could have committed them in the whole of their career . . .

**President.** — Mr Pannella, all that is irrelevant here!

**Mr Pannella.** — *(IT)* . . . Madam President, I was merely trying to point out that the man in the street — from the Abruzzi, Sardinia or anywhere else in the south — is constantly being charged with responsibilities which are not his: that is how things are in my region. But at the same time Italian Members of Parliament enjoy immunity.

*(Protests)*

**President.** — Mr Pannella, you do not have the right in this House to make a personal attack on someone who is not a Member of Parliament.

It is not clear whether your amendment can be received. The chairman of the Committee on the Rules of Procedure and Petitions will deliver his opinion and the Bureau will consider it.

The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

## IN THE CHAIR: MR POUL MØLLER

*Vice-President*

## 8. Question Time

**President.** — The next item is the first part of Question Time: Questions to the Commission (Doc 1-92/81).

At the author's request Question No 1 will be held over until the May part-session.

Question No 2 by Mr Flanagan (H-691/80):

Is the Commission aware of reports and the opinion of nuclear experts that a radioactive cloud produced by China's last nuclear test on 16 October 1980, will produce radioactive fallout that will affect the entire Northern Hemisphere next spring?

**Mr Narjes, Member of the Commission.** — (DE) Depending on the prevailing meteorological conditions, the influence of nuclear tests carried out in China on environmental radioactivity in EC-Member States cannot be detected for at least one week.

In the case of the nuclear test on 16 October 1980 a slight rise in environmental radioactivity, particularly in the iodine 131 level, was already recorded on 25 October 1980. The further trend of environmental radioactivity was carefully followed by the measuring centres which have been set up on the basis of Article 35 of the Euratom Treaty to ensure permanent monitoring of the level of radioactivity in the air, water and soil of the Member States.

The increase in radioactivity resulting from these Chinese nuclear bomb tests has been a temporary phenomenon and the levels have remained far below the maximum concentration level. From the angle of health protection, this marginal increase in environmental radioactivity can be treated as insignificant.

The temporary increase was also well below the level measured after several nuclear explosions in the early 1960s in the United States and in the Soviet Union and in those cases too the levels were below the maximum concentration level.

**Mr Boyes.** — The biggest threat to the peace and the people of Europe, both inside and outside the EEC, is undoubtedly the possibility of nuclear war. There is little doubt that there are leading political and military figures who would not hesitate to use such weapons. Consider, for example, the recent computer failures in the United States of America which led to nuclear weapon-carrying aeroplanes taking to the air against a

non-existent enemy. Further, modern weapons, even the so-called small ones, have many times the fire-power of the atomic bombs dropped on Hiroshima and Nagasaki, bombs dropped to the everlasting shame of any civilized person. Does the Commission agree that the only answer to the problem, as posed by the question of Mr Flanagan, is multilateral disarmament, and that the countries of the EEC should set an example by unilateral disarmament but, above all, by not allowing cruise missiles on European soil?

**Mr Narjes.** — (DE) Pursuant to Article 24 of the Euratom Treaty the arguments put forward by Mr Boyes do not fall within the terms of reference of the Commission.

**Mr Marshall.** — Would the Commissioner not agree that it is the nuclear deterrent which has preserved an uneasy peace in the world and that those who seek unilateral nuclear disarmament are offering an invitation to the Russian gauleiters to invade Western Europe and display a masochistic desire to suffer the fate of the people of Afghanistan, Czechoslovakia, Hungary and East Germany?

**Mr Narjes.** — (DE) The honourable member asked me for my personal view. I fully agree with the point made by him in his question.

**President.** — I call Mr Boyes on a point of order.

**Mr Boyes.** — On a point of order under Rule 32. Why can the Commissioner make a reply to the last question and not make a reply to my question?

**Mr Narjes.** — (DE) Mr Boyes asked for the Commission's view and I referred him to Article 24 of the Euratom Treaty.

**President.** — Question No 3 by Mr Hutton (H-704/80):

In December, Commissioner Burke told the Parliament that 'the Commission is currently examining the most effective way of organizing the work of the Forestry and environment Division . . .' Since a thorough review was undertaken in 1978 and implemented in 1979, what is the purpose of another examination so soon?

**Mr Tugendhat, Vice-President of the Commission.** — Mr Hutton refers to the answer which Mr Burke gave in December, to which I can only add that it is a permanent feature of the work of the Commission services that their organization should be reviewed with a view to improving efficiency and that this is the case also with the Forestry Division.

**Mr Hutton.** — Would the Commissioner not agree with me that the effect of the reorganization which took effect in 1979 was to enhance the Forestry Division by giving it additional environmental responsibilities and that in that new role two years is really far too short a time to judge whether it has been efficient or not, considering that for a large part of that time the division has been without a head? And would he not agree with me also that another reorganization so soon is only an excuse for unduly delaying the filling of the post of Head of Division in charge of Forestry and environment in DG VI, which has been vacant since 28 April 1980?

**Mr Tugendhat.** — As the House knows the Commission is extremely short of staff — indeed points such as this have been made frequently by myself during the budgetary procedure, but without avail. I hope that Mr Hutton will raise the matter again during the budgetary procedure. We do attach importance to the work of the Forestry Division. I agree that one cannot make a judgement after two years but I think that in the circumstances in which the Commission finds itself it is not unreasonable to keep the work of all departments under continuous review. It was to that which my former colleague, Mr Burke, was referring.

**Mr Purvis.** — Could I ask the Commissioner if the lack of progress in increasing or finding the relevant staff has anything to do with the lack of interest in forestry policy or lack of progress in achieving any sort of Community forestry policy, and what are their intentions in this area?

**Mr Tugendhat.** — The problem for the Commission is that it is always having to try to fit a quart into a pint pot. We have a great many interests which are dear to our heart and there are a great many subjects on which we would like to do more, but the fact of the matter is that our resources are very limited and that at any given point one has to make painful choices. We cannot simply recruit somebody and give them a job to do — we always have to have a sufficient number of posts at the right level in order to enable appointments to take place. So I would ask the honourable gentleman to accept that it is not because we are uninterested in forestry but because we have a number of responsibilities that are more pressing and more immediate and that have had to be filled in the interim.

**President.** — At the author's request, Question No 4 will be held over until the May part-session.

As the author is not present, Question No 5 will receive a written answer.<sup>1</sup>

Question No 6 by Mr Vié (H-699/80):

Can the Commission confirm that it authorized Italy to import 4 million tonnes of maize free of duty, despite the fact that Community maize production is in surplus, and that during the GATT talks it authorized the import into Community countries of 8 800 million francs worth of competitive produce from third countries? If so, does it not consider that it has thus arrogated to itself the power to turn the Common Market into the reverse of what was intended?

**Mr Haferkamp, Vice-President of the Commission.** — (DE) The Commission has not granted authorization to Italy or to any other Member State to import maize freely from third countries. The suggestion that the Community has a maize surplus is not correct. The Community in fact has a shortage of maize. I am not entirely clear what is meant by the 8 800 million francs as the equivalent value of imports authorized by the Commission or as the value of actual imports into the Community. That amount is the equivalent of 1 500 million EUA or three times as much as the actual value of maize imports into the Community in 1979. There must be a misunderstanding. There have been no recent new discussions or arrangements in GATT of the kind referred to in the honourable Member's question.

**Mr Vié.** — (FR) I am afraid that there may be some confusion in the Commissioner's mind due perhaps to the wording of the question. The reference to 8 800 million francs of competing production does not solely cover maize. As to the anxiety expressed in my question about the figure of 4 million tonnes, I obviously did not invent that figure, Commissioner; I found it in an economic journal which has a reputation of being perfectly serious. That is why I asked this question and, if I have understood you correctly, you are saying that my information is incorrect.

**Mr Welsh.** — Could the Commission confirm that, if the European Community is to expand its world trade, sooner or later it has to accept that it has to buy products from other countries that they want to sell us, and therefore would Vice-President Haferkamp confirm that the constant restriction of agricultural imports from third countries is not necessarily in the best interests of all Community citizens?

**Mr Haferkamp.** — (DE) I have already had frequent opportunities to state my view that trade is not a one way affair and that an economic entity like the Community which is dependent on imports of energy and primary commodities must naturally also export. This two way traffic of exports and imports must be taken into account in our overall commercial policy for trade in agricultural and industrial products alike.

<sup>1</sup> See Annex of 8. 4. 1981.

**Mr de la Malène.** — (*FR*) I am rather worried by the Commissioner's answer. The Commission seems to believe that considerations relating to energy and other imports prevent priority from being given to exports of agricultural products. It seems to believe that agricultural products must be imported rather than exported. I am of course exaggerating but that seems to be the way the Commission is moving and I would like further information on this point.

**Mr Haferkamp.** — (*DE*) It is quite true that we must not give priority to exports of particular products or to particular sectors. We must have the overall picture in mind. Then again nobody can possibly claim that the Community has not always made strong efforts to promote agricultural exports on the world market. That is part of the overall machinery of our agricultural policy in the same way as domestic market policy is also an integral factor. Considerable amounts of money are spent each year to enable agricultural products from the Community to be offered on the world market at suitable prices so that they can actually find buyers.

**Sir James Scott-Hopkins.** — Would the Commissioner bear in mind that during this most estimable export drive the Commission must adhere to the decisions which it took, and which it announced to Parliament, concerning exports to the Soviet Union and other Iron Curtain countries of agricultural produce? They must not — I repeat not — exceed the amounts which they agreed would be the traditional trade to those countries, as indeed they did exceed it during 1980, to which further reference will be made later on this month or next month.

**Mr Haferkamp.** — (*DE*) I just made a general observation on our general policy for exports of agricultural products. In the specific case of exports to the Soviet Union there is a Council decision of 15 January 1980 which lays down the principle that in the case of agricultural products the Community would not make good shortfalls on the Soviet market resulting from the United States embargo. Reference was made in that connection to traditional trade patterns. The Council's decision on this matter is still binding on the Commission.

**Mr Marshall.** — Would the Vice-President of the Commission not agree that exports of 147 000 tonnes of butter and butteroil to Russia last year are far in excess of the assurances given by the Commission during 1980?

**Mr Haferkamp.** — (*DE*) The United States have exported no butter or other products mentioned by the honourable member to the Soviet Union. The facts

are therefore such that the principle to which I just referred, namely that the Community would not make good shortfalls resulting from the embargo, could not be infringed.

**President.** — Question No 7 by Mr Geronimi has been withdrawn.

As the author is not present, Question No 8 will receive a written answer.<sup>1</sup>

(*Mr Chambeiron stated that he wished to take over the question*)

I call Mrs Kellett-Bowman on a point of order.

**Mrs Kellett-Bowmann.** — Has the honourable gentleman got it in writing that he may take the question over?

**President.** — Point 9 of Annex II of the Rules of Procedure states:

'A question may be answered only if the questioner is present or has notified the President in writing, before Question Time begins, of the name of his substitute'

Mr Chambeiron therefore cannot take over the question.

Question No 9 by Miss Hooper (H-761/80):

What is the European Community doing for the United Nations International Drinking Water Supply and Sanitation Decade, given that half the world's population (2 000 million men, women and children) are suffering from water shortages or disease caused by defective water supplies?

**Mr Narjes, Member of the Commission.** — (*DE*) A few weeks ago in its answer to Mrs Squarcialupi's oral question Number 2716/80, the Commission already drew attention to the programme which it is proposing to implement jointly with the Member States within the framework of the cooperation agreement with the developing countries. However, the Commission welcomes this opportunity to give supplementary and complete information today.

The Commission is aware of the serious situation of certain population groups in the Third World who are suffering from inadequate drinking water supplies and unsatisfactory conditions of hygiene. It therefore unreservedly supports the measures taken by the

<sup>1</sup> See Annex of 8. 4. 1981.

**Narjes**

developing countries and Member States in the framework of the United Nations international development decade. The Community's cooperation policy is based on the priorities of the beneficiary countries and on their own efforts. From the financial angle it is intended to supplement other sources of finance.

The Community's contribution to the projects carried out during the decade in the area of drinking water supplies and hygiene therefore depends on the importance attached to this sector by the individual countries and on the financial resources which are otherwise available. The Commission's policy is intended primarily to satisfy the needs of the population groups which are the most seriously affected. That is also reflected in the financial aid payments; some 100 million EUA are earmarked for this purpose in the fourth European Development Fund.

**Miss Hooper.** — I am glad to note the Commissioner's concern for the programme; but would he not agree that this is a situation where some concerted action on behalf of the Community would be more effective than simply allowing each member country to initiate and organize a separate programme?

**Mr Narjes.** — (DE) I would not deny that a solution of that kind might be best. But because of the interest felt by each member State as an individual member of the United Nations in independent participation in this programme, we must be content with the present procedure as I have described it.

**Mrs Kellett-Bowman.** — When the EEC assists in the installation of water supplies in under-developed countries, will it please make sure that they are simple and require the minimum of maintenance, since skilled maintenance men are rarely available in the remoter parts of the least-favoured countries to which the Commissioner referred, and it could be and indeed is the case that some of these installations are now out of use for lack of maintenance?

**Mr Narjes.** — (DE) I do not underestimate the importance of the matter of subsequent costs and maintenance requirements resulting from initial investments. But I must point out that coverage of those costs would very rapidly deplete the available resources and leave no room for further investments.

**President.** — Question No 10 by Mr Seligman (H-43/81):

Does the Commission consider that different national prices and taxes on heavy fuel oil are disadvantageous to

some national industries, particularly relative to their Japanese, US and EEC competitors, and does the Commission propose measures of harmonization in this matter?

**Mr Davignon, Vice-President of the Commission.** — (FR) That question has several different aspects. The first is the influence of the price of crude oil, and thus of heavy fuel oil, on product prices. In that respect we have observed in recent years a tendency for favourable changes to occur in the United States although there is a special situation, with which the honourable Member is familiar, in Canada where a structural difference in prices exists. The action undertaken by us in Tokyo and Venice seems to have brought some results and we shall have to continue on the same lines in Ottawa: that capital has been particularly well chosen.

The second more specific aspect is that of taxation. Are tax systems in the various countries so different as to create distortions? There are of course differences. I have a table showing those differences but it is difficult to analyse their economic impact accurately at this stage because taxation is also a measure of economic policy — in other words it determines the choice of one type of energy rather than another. It is therefore wrong to suppose that a high rate of taxation is disadvantageous to industry if the very fact that it is high encourages that industry to use a different source of energy and to effect investments in order to make savings and use energy rationally, thus increasing its long-term competitiveness.

This is a highly complex and important matter. At the last Energy Council meeting I obtained an assurance that it would be dealt with most carefully and I consider it more urgent today to define the economic impact of this policy on industry rather than to effect immediate price harmonizations without knowing what their impact on the economy will be. That is why the Commission has chosen the first priority rather than the second.

**Mr Seligman.** — The Commissioner gave a very full answer and he referred to a table of tax differences. I would very much like to see that table. Does the Commissioner agree that in countries such as Britain, Ireland and Denmark which impose a heavy tax on residual fuel oil, industry would benefit if this tax were imposed as a value-added tax which can be recovered later and not as a straight tax; and would he consider proposing harmonization on the basis of VAT throughout the Community for heavy fuel oil?

**Mr Davignon.** — (FR) I shall pass my figures to the honourable Member and to the secretariat so that they can be shown in my answer; I think it would take

too long to read out the relevant statistics now.<sup>1</sup> That is my first point. The second point is that the question is the subject of considerable discussion in the United Kingdom because of the industrial policy followed by that country. At this juncture before the Commission has had an opportunity to finish its analysis of the various documents, in particular the document published six weeks ago, I am unwilling to pronounce on the most advantageous solution for industry. Reverting to what I said in my first answer, to the extent that we have a short-sighted view of energy policy by seeking to ensure oil based energy supplies to industry at the most favourable prices, we are pursuing a misguided economic policy because we should now be turning to other sources of energy. Steps must be taken to ensure that taxation systems do not create distortions as between countries. We are not able to say at present whether the existing differences in taxation create a disadvantage for one particular fraction of oil production, namely residual fuel oil. I therefore repeat that we do not intend to make fiscal proposals before determining the economic impact in relation to the objectives of energy policy going beyond that of supplying energy to industry at the cheapest possible price.

**Sir James Scott-Hopkins.** — In view of the obvious necessity to have a common energy-pricing policy in the future, would the Commission undertake to do a study in greater depth than appears to have been done now of the various contract prices which all types of industry are enjoying in all the various countries, in order to have a comparative table? It would be very complicated, I agree, but it is necessary if further progress is to be made. Would he, when that is done — if he will say yes, and I hope he will — give an undertaking to publish it so we may study it as well, if possible before the end of the summer recess?

**Mr Davignon.** — (FR) We have undertaken this work with a specific view to obtaining clear information on the price jungle. With the agreement of the various countries concerned at the last Energy Council meeting, it was decided that our officials would visit the capitals in order to ascertain the significant

elements — I do not say all the elements — for the major categories. We shall be doing that and, Sir James, my intention is to keep the Committee on Energy informed as our studies progress. Work of this kind is an ongoing process. I do not believe in publishing documents which need amending and updating every three months and also have to be translated into a large number of languages: that costs a great deal of money and is not particularly efficient.

What I would like to do on the other hand is to arrange a briefing, perhaps three times a year for the Committee on Energy on the various work which has been done and I gave an undertaking to that effect to the Committee on Energy at our last meeting.

**President.** — Question No 11 by Mr Adam (H-769/80):

It has recently been stated by the Energy Department of the United Kingdom Government that the coal demand in the year 2000 is likely to fall to 155 million tonnes, which represents a downward revision from the previous figure of 170 million tonnes. This comes at a time when future demand for coal is reckoned by all the experts to be increasing. Does the Commission accept that this is a realistic assessment?

**Mr Davignon, Vice-President of the Commission.** — (FR) The honourable Member has asked me what demand there will be for coal in the year 2000. I would be quite happy if I even knew what the demand for coal would be in 1981. I readily concede that my answer is inadequate but I cannot give accurate information because two factors come into play here: the first is the level of future investments in the coal mining infrastructure, at the level of supplies, i.e. exports, and also at the level of reception structures in the Community. That is a first point. France is at the moment making very considerable investments in this area. Will that be done elsewhere? We believe that investments of this kind should be encouraged. The second factor is the need to determine whether we are creating the financial conditions which will enable industry to revert rapidly to coal if that should prove necessary. There are thus two unknowns in the present situation. We in the Commission have complained to the energy ministers about the inadequacy of the national investment programmes in this area. Our document on supply and demand as compared with 1980 indicates our view that, given the necessary investments, coal consumption could increase in the order of 15 to 20 percent. But a necessary condition is that these investments must be made. Without the investments nothing can be done.

**Mr Adam.** — I appreciate the very great difficulties that anyone has in trying to estimate what the coal supply or demand is likely to be in any given year, but

<sup>1</sup> Prices in US dollars per tonne in January 1981 except where otherwise stated:

	Before tax	after tax
Belgium	237.21	237.21
Denmark	244.41	311.08
FR of Germany	221.15	228.65
France	219.26	219.48
Ireland	229.17	259.02
Italy	208.51	209.56
Netherlands	226.93	233.87
UK	222.54	241.80
USA (June 1980)	128.47	128.47
Japan (June 1980)	239.27	239.27

the problem seems to be that, while all the experts say that demand is going to increase in the future, we do not seem to have any means of ensuring that the coal to meet that likely demand is going to be produced within the Community. I therefore welcome very much the comments the Commissioner has made with regard to the national programmes. Can the Commissioner state whether there are any further initiatives that the Commission has in mind to try and encourage the investment in the coal industries of the Community that he has referred to?

**Mr Davignon.** — (*FR*) I referred to the problem of coal as a whole in my answer. I did not draw a distinction between domestic coal production in the Community and imported coal. I believe that a policy which was confined to encouraging domestic production of coal in the EEC would have two effects: the first is that we would not make the investments necessary for coal to be used in a number of industries, with all the problems that entails as regards mastery over environmental technologies and so on, because the costs exceed those of continued use of oil. That is the first difficulty.

I believe on the other hand that if we step up our imports from third countries, the mere fact of ensuring adequate reserves within the Community for reasons of dependence would enable an additional domestic effort to be made. The two factors are linked. If we try to isolate one of them or concentrate on either there will be real difficulties. The Commission's first task — on which we shall be working between now and the Energy Council meeting in June — is to determine whether for the first time for many years those Community countries whose interest in principle conflict, namely those which have no coal mines and those which do have mines, can in fact now be reconciled. I think that this is not impossible if we approach the problem in its entirety, as I tried to suggest.

**Mr Seligman.** — Does the Commissioner not agree that we must make Community coal more competitive? I do not see why that should put up the costs of other industries. That is where the investment is needed in modernization and in expanding the market for of our own Community coal.

**Mr Davignon.** — (*FR*) If the matter were as simple as Mr Seligman has suggested we should be guilty of an unpardonable omission if we did not take the necessary action. Unfortunately the situation is more complicated because, as the honourable Member himself pointed out, we are seeking to change the use of our energy resources but we want to do so in a manner which will not immediately handicap the competitiveness of the user industries. In other words the investments made must be logical investments in relation to our economic and industrial policy. That

raises problems because at this particular juncture the price of an imported tonne is well below the price of a tonne produced within the Community.

Which types of investment should take priority? I think that the emphasis must be placed on investments enabling coal to be used in the infrastructure and by industry; once the market has expanded a balance can be struck between those who wish to import low price coal and those who on the contrary wish to retain their own production capacities: that is our aim. I think this is an extraordinarily complex problem, the reason being that positions have remained static within the Community for fifteen years.

**Mr Kirk.** — (*DA*) Is it the Commission's view that the energy situation in the Community is so complicated as to prevent the Commission from submitting uniform provisions which could help to solve the energy crisis in the Member States? One might draw that conclusion from the Commission's answer.

**Mr Davignon.** — (*FR*) Let us not confuse a discussion of coal with a debate on energy. Quite clearly coal is one aspect of the energy debate but it is not the whole problem. Why did I say that there has been a deep disagreement within the Community for fifteen years on the subject of coal? Because one group of Member States wishes the Community to have a coal policy which will benefit imports from third countries, the reason being that this policy may, it is felt, best ensure the competitiveness of Community industry which should be the aim of solidarity within the Community. On the other hand those countries which still produce coal in the Community consider that solidarity should help them to produce still more coal. This divergence of views has resulted in perfect deadlock.

On the substance of the matter, Mr President, my views are perfectly clear and they have been stated by the Commission: firstly, in the absence of an energy policy there can be no policy for economic renewal in the Community. We have arrived at the clear conclusion that, to the extent that there is no increase in energy investments to promote the more rational utilization of energy, the economic conditions necessary for a genuine renewal of the Community economy and industry cannot exist. There could be no stronger argument at this point in time given the highly critical situation of our economy and the imperative need for a dynamic policy of economic renewal to solve the employment problem. Once we have concluded that the lack of a genuine energy policy is an obstacle to an effective economic policy, it is criminally negligent not to pursue such an energy policy. That is why the Commission is determined in its attempts to bring about a common attitude and strategy on energy, including the fundamental and priority problem of investment incentives.

**Davignon**

May I add that in recent weeks I have not heard a single Head of State or Prime Minister speak of economic policy without placing emphasis on the problem of energy investments. Mr Brandt, various speakers in the French election campaign, the Italian Government, indeed everyone, consider that an upturn in energy investment is essential to a coherent economic and industrial policy. The Commission shares that view and will make representations to the governments.

**Mr Purvis.** — Would the Commissioner confirm the figures we were given by his predecessor for the energy objective for 1990, which were then expanded up to the year 2000, and which estimated that coal requirements in the Community would be in the order of 600 million tonnes; estimated, I agree roughly? Would he not agree that coal is therefore going to play a very major part in any energy strategy and within that scale of coal consumption there must be ample room to satisfy the needs of those Member States which wish to use imported coal and those which also are producing coal? Can he not hang a policy for coal on that mutuality of interest between all the Member States in the coal sector?

**Mr Davignon.** — (FR) There is at present no community of interest between the Member States in the Council of Ministers on the subject of coal, that is my first observation. I regret this fact but it nevertheless exists.

The second point is that until a rational investment policy has been defined to enable coal to be used more widely in the Community, I am sorry to say that all the forecasts will be entirely arbitrary because I am convinced that without these investments as things stand at present there can be no increase in the use of coal in the Community.

Our studies do not enable me to confirm the figures quoted by my predecessor; on the contrary, we have arrived at the conclusion that these figures will not be attained without a determined investment policy. We must now bend our efforts towards the attainment of such a policy.

**President.** — Question No 12 by Mrs Ewing (H-784/80):

What progress has the Commission achieved in its discussions with the United States' administration on the problem of the upsurge of United States' imports into the EEC and particularly into the United Kingdom; what action is proposed and to what extent will it meet the Council's requirements that their discussions should cover the whole range of problems and all possible solutions?

**Mr Haferkamp, Vice-President of the Commission.** — (DE) We have already had several opportunities to discuss this matter, with particular reference to imports of certain textiles or textile fibres from the United States. The Commission has indicated how seriously it takes the problems arising from the importation of certain products, particularly for certain regions of the Community.

It has discussed this matter in great detail with American Government agencies and the necessary contacts were made as soon as the new administration took office.

One essential factor which has been mentioned in the talks as having an impermissible influence on competition, was and still in part remains the special price system for petroleum and natural gas which secures a competitive advantage for American industry. Important progress has recently been made on two points. The American Government has put an end to its price controls for petroleum. Secondly, it is removing the restrictions on exports of naphtha. The Commission hopes that the American Government will also shortly put into effect its announced intention of ending price controls on natural gas. As regards the steep rise in imports in some textile and clothing sectors, we have the impression — and this is confirmed by the figures — that the peak was obviously passed in the first half of 1980. We have also discussed these problems with our American interlocutors. We have been assured that the attention of the American textile industry would be drawn to these problems in an appropriate manner.

**Mrs Ewing.** — I thank the Commissioner for his detailed answer and for his comments on the degree of decontrol of oil; although the problem of gas remains. But it did not seem to me, as I listened to the answer, that the Commission is proposing any action. I would ask the Commission therefore whether, in the light of the gravity of the problem and the jobs involved here, and the restriction by the US on imports, whether the Commission takes the view that, if it cannot solve this problem, it would be up to Member States with many jobs at stake to restrict their own level of imports?

**Mr Haferkamp.** — (DE) We have often been asked what measures we were taking for petroleum and naphtha. We have negotiated and achieved success. We shall pursue these efforts for natural gas.

**Mr Welsh.** — Does Vice-President Haferkamp believe that the United States administration fully and completely understands the simple fact that, if the Community is expected to continue to run trading deficits with the United States of \$ 25 000 million or more indefinitely, the open trading system simply will not be able to survive? Can he therefore assure us that

## Welsh

the Commission is putting together a position paper *vis-à-vis* the United States for the Ottawa Conference in which the ministers can discuss seriously how these vast trading deficits can be limited by voluntary and not compulsory agreement?

**Mr Haferkamp.** — (DE) I am grateful for the honourable Member's reference to this Conference at which the intention is to deal with these problems in the general context of world trade policy. With the world trade system as it is today, bilateral trade patterns cannot be considered in isolation in terms of surpluses and deficits. As the Honourable Member has stated, there is in fact a problem which requires general discussion and an overall approach.

It was with an eye to the overall aspects of world trade that we conducted the Tokyo-round negotiations and are following up implementation of the results attained; we therefore also welcome the opportunity to discuss these problems at the new World Economic Summit Conference with a view to the expansion and not to any limitation of world trade. The Commission will be making its preparations for the Conference in that spirit.

**President.** — Question No 13 by Miss Quin (H-794/80):

Will the Commission make a statement about the progress made in consideration of the Commission proposal to provide income support for workers aged 55 and over leaving the shipbuilding industry — a proposal which was welcomed by the European Parliament at its December 1980 part-session?

**Mr Davignon, Vice-President of the Commission.** — (FR) As the House already knows, the Commission's proposal which was given a favourable reception by Parliament and by the Economic and Social Committee, did not gain the Council's support: the Council did not wish to follow the Commission's ideas. Secondly, the Commission's proposal to enter six million units of account in the 1981 budget was replaced by a token entry in the draft budget and it was in that form that the budget was approved by Parliament. In other words no appropriations are available for 1981. Finally, in a statement by our former colleague, Vice-President Vredeling, to Parliament last December, he indicated why he felt it wrong for the Commission to amend its proposal or make new proposals since he could discern no change in the Council's position. We are therefore in a position of deadlock. The attitude adopted by the Council on social measures for the steel industry involving conventional action in the social sphere, does not presage for the time being any change in the Council's position on new measures, particularly in the shipbuilding sector. The Commission greatly regrets this situation and will be returning to the matter when it

prepares the preliminary draft budget for 1982; Parliament will be duly informed.

**Miss Quin.** — This is deeply disappointing! I would just like to ask whether the Commissioner is aware of the extent to which hopes have been raised by this proposal among workers leaving the shipbuilding industry. Will the Commissioner give us an assurance that the Commission will do everything to ensure that these hopes, which have been raised, are not wholly disappointed and that the matter will definitely be kept on the agenda?

**Mr Davignon.** — (FR) The Commission will obviously keep this matter in mind. But I think it is unfair to criticize the Commission for disappointing hopes — legitimate hopes given the situation facing workers in the shipbuilding sector. Parliament did not enter the necessary appropriations in the budget: how can we expect to change the Council's position when there is no money in the budget? The Commission cannot fight the battle on its own.

**President.** — Question No 14 by Mrs Kellett-Bowman (H-808/80):

In June 1976, the Commission stated that 2.4% of the staff in the A4 grade of the Commission were women, and 4.7% in the A5 grade were women, whereas 83.37% in the C3 grade were women. Will the Commission now give the up-to-date percentage figures of women employed in these grades?

**Mr Tugendhat, Vice-President of the Commission.** — Mrs Kellett-Bowman is asking for figures to compare with those given when she previously asked the question. The relevant figures on 28 February were: 3.57%, 6.77% and 76.68% of female A4, A5 and C3 officials respectively.

**Mrs Kellett-Bowman.** — Would the Commissioner not agree that this is a disgraceful rate of progress since I questioned his predecessor in 1976? If women are capable of being Prime Ministers of Member States and the President of this Parliament, surely they are capable of filling the higher posts in the Commission to a far greater extent than they do at the present time. Will the Commission please make a far greater effort to recruit and promote women to these posts?

**Mr Tugendhat.** — I agree on the role played by women in the public life of our Member States and indeed in some non-member European States as well, such as Norway. But I would point out to Mrs Kellett-Bowman that there has been an increase of around 50% in the number of female A4 and A5 officials between 1976 and 1981, which represents a good

**Tugendhat**

start. The figures at the moment are, as she says, deplorably small; but in a civil service it takes time to right balances of this sort, and I think the fact that there has been this significant increase at the A4 and A5 levels between 1976 and 1981 does show that we have made a good start — although we do, of course, need many more women in the higher ranks of the Commission.

I think, too, that we need to consider the relatively higher proportion of women now in grades A7 and A6, which amounts to 14.20% and 13.70% respectively, which suggests that we should be able to make further improvements in the years to come. However, I can assure the honourable lady, and indeed the House, that I very much agree that we do need to have more women in higher ranks in the Commission.

**Mr Seligman.** — Does the Commissioner not agree that women should give priority to the honourable career of bringing up a happy and successful family, and that they should not be tempted into high office by economic necessity or naked ambition?

*(Laughter)*

**Mr Tugendhat.** — My own view is that women should have freedom of choice, and that those women who wish to pursue careers ought to be able to do so without suffering from any form of discrimination.

*(Applause)*

**Mr Kirk.** — *(DK)* I gladly subscribe to the last statement by Commissioner Tugendhat but the question by Mrs Kellett-Bowman clearly implies that there is discrimination against women in the Commission's services. I do not have the impression that this has come about by chance and I would like to ask Mr Tugendhat whether the Commission is now making special efforts to facilitate the advancement of women to higher grades in the Commission. Also, is the Commission taking special measures to create employment opportunities for men in C3 positions? At that level too there would seem to be reverse discrimination against men.

**Mr Tugendhat.** — As I said in answer to Mrs Kellett-Bowman, I am very conscious and the Commission is very conscious of the need to have more women in higher ranks in our service. As I also said, it is not easy to adjust these balances very quickly. I think the 50% increase in the levels which I referred to earlier is quite impressive, and there is, of course, now a higher proportion of women in the lower A grades who will come forward for promotion into the higher A grades.

We have also undertaken a number of studies within the Commission to see what can be done to facilitate the promotion of women, but there are particular difficulties in a multinational service of our sort. If one thinks for one moment that in London, Copenhagen, Paris or any other capital of a Member State it is not at all unusual to find a woman pursuing a career in the civil service while her husband is pursuing a career of some other sort in the same capital, it becomes clear that in the case of Brussels, where one is dealing with non-Belgians — for Belgians, of course, Brussels does not present the same problem — there would be a difficulty for women who come to Brussels and who pursue a career there to maintain a family life with husbands who might be pursuing a career in a different capital. This is the sort of difficult social problem to which, I must confess, we have not yet found an answer.

I would point out, too, that with regard to the proportion of women in our service, one should not compare it only with countries such as Britain and Denmark, for instance, or with France; where there is now a very high proportion of women in the public service; one ought also to compare it with some other Member States which take, perhaps, rather more the view of Mr Seligman; so there is a balance to be struck. However, I can assure him that we shall look at the matter with a very open mind and indeed would be very interested to hear of all and any ideas for increasing the proportion of women in our service, which is something which we believe needs to be done.

**Mrs van den Heuvel.** — *(NL)* I listened to the Commissioner's answers with interest. If family life and the bringing up of children are considered so important, would it not be desirable, in the context of the Commissioner's campaign, to make senior male officials aware of the importance of that task? Perhaps they would then make their posts available to permit promotion of their female colleagues.

**Mr Tugendhat.** — I quite agree with Mrs van den Heuvel that bringing up children is certainly not a task which devolves only on one of the parents. Indeed I can assure her that my wife has very strong views on this matter which are brought constantly home to me.

**Mrs Baduel Glorioso.** — *(IT)* I understand the difficulties which arise today because a very bad start was made when the first competitions were opened for recruitment to the Community public service. We note today — as Mrs Kellett-Bowman has quite rightly stressed — that there are very few women in grades A4 and A5, to say nothing of grades A3 — where I think there is only one head of division, the Dane, Miss Nielsen — and A2 and A1. This situation will however change rapidly despite the social and psychological problems involved, including the obsolete attitude that

**Baduel Glorioso**

women should remain in the home. But those attitudes are not very important.

The situation will be changed because it is not representative of the electorate, of the taxpayers and indeed of the people of Europe, 53 percent of whom are women. Women attend schools and universities but they have enormous difficulty in reaching high office in the Commission. I would like this to be made perfectly clear to the Members of the Commission today — who have taken over their tasks from their predecessors — because, in Europe, the functions and responsibilities of women have always been considered complimentary. It is truly shameful that this situation should have arisen in the Commission of the European Communities which has only been in existence for thirty years.

**Mr Tugendhat.** — In answer to Mrs Baduel Glorioso, let me go through the list. There are three women at the level of A2. There is Mrs van Hoof who is Belgian and who is the head of the Service des Interprets which, I think I am right in saying, is the largest interpreting service in the world. It is certainly larger than that of the United Nations and of course it has a much greater spread of languages with which to contend. So it is by any standards one of our more important services. It has, speaking from memory, something between four and five hundred people in it. There is then Miss Inger Nielsen, who is Danish and who has played a very prominent and responsible role in the enlargement negotiations. Then, of course, my own Chef de cabinet is a woman too. We have no women at A3 level, I am sorry to say. We have 30 at A4, 52 at A5, 69 at A6 and 43 at A7. At A4 the proportion is 3.57, at A5 it is 6.77, at A6 13.70 and at A7 14.20.

I do not for one moment suggest that these figures are satisfactory. As I said earlier, I believe that we do need to have more women in the higher ranks of the Commission. But I think it is important to note that the proportions at the lower end of the A scale are significantly higher than at the higher end and therefore there will be an increasing number of women coming forward for promotion during the years to come.

I would also point out, if I may, since the questioners have been of a variety of different nationalities — Dutch, Italian, British, Danish — that, of course, a number of officials at the A1 and A2 level in our service are people who have come in from the outside. That is perhaps particularly true of the newer Member States, but it is true of officials of all nationalities. A number of those at the higher levels are people who have come in from their national services. It is striking perhaps that the national civil services have not been nominating women. I do not know why that should be, but I think that when one looks at the proportion of women in the higher ranks of the Commission service, it is important to bear that point in mind as well.

**Mrs Maij-Weggen.** — (NL) I should like to draw the Commissioner's attention to two points and put two questions to him. We often inquire about the reasons for which women so rarely reach high office. I think that in the Commission's case one of the reasons — to which frequent reference has been made here — is that an age limit has been introduced for the recruitment of new staff. That age limit is particularly unfavourable in the case of women. Many women who have followed courses of education and then worked actively for some time go on to devote themselves entirely to their families — and I consider that in itself highly desirable. The real pity of it is that this form of activity is so badly paid and carries such poor status. Many women then become available for professional employment again at about the age of 38 or 40. They then have no chance whatever of recruitment to the European Commission for the simple reason that they are too old. And precisely because of the specific employment pattern of women, they have far fewer opportunities than men in the Commission since men do not have the same family commitments. May I say in passing that I myself devoted a few years of my time entirely to my family obligations and I consider that extremely important both for the development of a woman herself and for society.

I want to add a second question: what possibilities exist at the Commission for part-time employment of women? Often it is perfectly possible to combine work in the home with part-time employment for a certain period in a woman's life, but I have the impression that this is practically impossible at the Commission. If women who have family commitments were given an opportunity of working part-time for a period of say six to eight years before returning to full-time employment, they would then remain in contact with the employment world and would not have to interrupt their career or see their career made totally impossible. The fact of the matter is that situations of this kind constitute a definitive break in the employment of many qualified and skilled women; I find that a pity for women themselves and above all detrimental to the interests of society.

**Mr Tugendhat.** — The honourable lady has raised the question of the entry age with me before and we have had exchanges on it. Certainly it is a matter which, I know, is a source of concern to many people. We, of course, are in the difficult position of having to try to maintain equality of opportunity, not simply between men and women but also between women with family obligations and women without family obligations. I must confess that it is not always easy to strike an appropriate balance. I am very conscious of the problems which women have in the sense that they frequently have to break their careers, as the honourable lady has pointed out. But much as I would like to see more women in higher positions in the Commission, I find it difficult to conceive that one could easily have women doing part-time work at the sort of levels

### Tugendhat

that we are talking about here; or indeed men either. I think that the nature of tasks at the top end of the Commission or the top end of a national civil service would not permit it. I do not think any national civil service has part-time people at the A1, A2, A3 levels or indeed at any other A level, and I think it would be very very difficult to have part-time employment at these levels. I repeat, since I think this is the last question on the subject, that we do attach great importance to securing a greater number of women in higher levels of the Commission and I hope that this is something which Member States will bear in mind when they nominate officials or put forward officials for positions in the Commission on those occasions when we recruit outside.

**Mr Koutsocheras.** — (*GR*) I would just like to say that I feel a compelling moral duty to point out that this is a real disgrace in this day and age when you consider that we are approaching the year 2000. I remind you of the discussions which took place recently in Luxembourg and Mrs Maij-Weggen's report in which those discussions on the unequal treatment of women were backed up by hard facts. Despite the fact that the constitutions of different countries talk about sexual equality, sexual inequality is still a striking feature. I am surprised to hear it said in this House that unequal treatment of women has been eliminated and I want to stress once again that the Commissioners should view the question of bringing about sexual equality as one of their prime considerations as women have many qualities and in particular their sensitivity and foresight are two qualities which can, when used in the national interest, raise the social and cultural standards of our society.

**Mrs Dekker.** — (*NL*) I want to put a specific question to the Commissioner although I welcomed the previous observations.

Firstly, the problem of age limits. The Commissioner probably knows that the Maij-Weggen report which was debated and adopted in Luxembourg, contains a clear statement on this point. We consider it important from the point of view of participation by women in the employment process, for deliberate age limits to be abolished. I should like the Commissioner to say when that will be done in the case of the Community institutions beginning with the Commission itself.

The Commissioner also made a remark about part-time work. His opinion is that senior jobs do not lend themselves to such an arrangement. Might I then draw his attention to the length of the working week as we know it today. Ten years ago the duration of the working week was different and fifty years ago the situation was totally different. There would seem to be many reasons for examining whether men do not in fact devote too much of their time today to purely

professional activities. That is of course the underlying consideration and I do not think it is good enough to say, in 1981, that nothing can be done. I wonder if the Commissioner himself is open to certain patterns of thought, developments and experiments. Could he not consider whether some adjustments could be made to permit some part-time working for senior officials.

A further point mentioned by the Commissioner is the fact that the Member States themselves apparently appoint the most senior officials in the Commission. I find the Commission's attitude on this extremely passive. It might at least make representations to bring about a more balanced composition of the Commission's administrative apparatus. Clearly the Commission has some responsibility of its own, not merely in the sense of geographical distribution but also in that of ensuring a more balanced distribution between men and women. I would like to hear from the Commissioner whether he sees any possibility of drawing the attention of the Member States to this factor in their appointments policy.

**President.** — I call Mr Marshall on a point of order.

**Mr Marshall.** — Mr President, could I ask that, in future, supplementary questions be short, sharp, to the point and actually questions?

**President.** — I share your view and have said the same thing before. However, I hesitate to interrupt speakers who have interesting personal points of view to express.

**Mr Tugendhat.** — The Commission is certainly ready to consider each and every suggestion for trying to improve the position of women within its own service and, indeed, within the public service of the Member States. Certainly one has only to look at the different Member States to see that a great deal more progress has been made in some than in others. I would, however, say as a personal expression of opinion, that I do not think that the cause, either of women's rights, or of efficient administration, would be well served by having part-time directors-general or part-time heads of division. Indeed, if I might keep this on an entirely feminine basis, I simply do not believe that Madam van Hoof could run her extremely difficult and complicated empire if she was doing it part-time and if she shared the responsibility with somebody else who was doing it part-time, be that person male or female. I do not think that the result would be as effective as it is at present. So I think that in the interests both of women's rights and of efficient administration, we really ought to stick to the general principle that the top posts should be full-time.

**President.** — As the author is not present, Question No 15 will receive a written answer.<sup>1</sup>

At the author's request Question No 16 has been held over until the May part-session.

Question No 17 by Mr Clinton (H-835/80):

Is the Commission aware as to the extent which imports into the EEC of canned and prepared meats, which in 1980 amounted to 130 000 tonnes carcase equivalent of 30% of total imports under the EEC regulations concerning imports, are militating against the meat canning industry in Ireland and is the Commission prepared to implement measures to ameliorate this situation?

**Mr Contogeorgis, Member of the Commission.** — (GR) Imports of tinned and processed beef from third countries in 1980 amounted to 119 000 tonnes expressed in carcass weight. The Commission does not have any figures to show that these imports were transacted at reduced prices. In fact, the volume of imports during the past year was less than in the four previous years in which they amounted to 150 000 tonnes on average per year. In accordance with the beef canning industry's marketing conditions, the Community arrangement makes provision for different possibilities included in the balance (Bilan) for imports of frozen meat for processing and for sales of Community intervention stocks for processing at reduced prices.

**Mr Clinton.** — I am sure that the Commissioner knows why I put down the question. I am sure he is aware that we have more than 12% of our workforce in Ireland unemployed and have a very large number of redundancies in the meat-processing industry. In the face of this, is it right or proper that this quantity of canned and processed meat should be allowed into the Community, where employment is so badly needed — particularly in the meat-processing industry?

The Commissioner seems to be satisfied with the fact that the quantity of canned meat was lower last year than the previous year, but surely in circumstances where things are completely changed in the Community, we should take a serious look at this. May I say I was quite surprised to hear the Commissioner say that he did not know at what price, at how low a price, this meat entered the Community. That is an extraordinary admission to come from the Commission.

**Mr Contogeorgis.** — (EL) It is a fact that Ireland is in a special position on account of its strict sanitary regulations. Since Ireland's sanitary regulations are parti-

cularly strict, it cannot easily import cheap meat from third countries or from the Community's stocks for sale to the meat canning and processing industry. Another factor which makes the situation in Ireland even worse is that prior to its accession to the European Community meat prices for the meat-processing industry were much cheaper. Unfortunately the Community cannot, at least for the present, deal with the situation any differently other than by importing cheap meat from third countries at reduced rates of duty and, as I said previously, by selling Community intervention stocks to the industry at lower prices.

**Mr Clinton.** — I think the Commissioner has misunderstood my question. We are not looking for more imports of meat to put in cans. We have too much meat already of our own to put in cans, but we can't sell it. That is our problem. What we want is the employment of workers to process this meat and put it in cans, but we simply cannot achieve that because of the flood of imports into the Community. That is the question I was trying to put.

**Mr Contogeorgis.** — (EL) The volume of cheap meat imports from third countries was no greater last year than it was in the four previous years. Ireland's problems is that its canning industry cannot be competitive because it is forced to buy meat from the Irish market at high prices as cheap meat cannot be imported from third countries or from the Community because of the sanitary regulations. One of two things can happen in Ireland: either imports of cheap meat from third countries or from the Community's stocks will be increased, in which case the industry will be competitive, or imports of cheap meat will be restricted, in which case the industry will have no chance of being competitive since it will be paying higher prices for meat on the Irish market.

**Mr Maher.** — I think the Commissioner still misunderstands Mr Clinton. We do have a surplus of meat in the European Community produced within the Community, and still we are importing meat into the Community. I think that is basically the point that Mr Clinton has been making. Why do we do that?

I would like to follow up with my own question. What does this cost us? What does it cost the Community to export its own meat and to import meat from other countries when already we are in surplus? What is the cost to the Community of doing that kind of trade?

**Mr Contogeorgis.** — (EL) The Community has to import a certain amount of cheap meat for two reasons: first, in order to provide the canning industry with cheap raw material for certain lower quality canned goods and second, because the Community has relations with many third countries which in many

<sup>1</sup> See Annex of 8. 4. 1981

**Contogeorgis**

cases have nothing to export but meat. Furthermore, since it is in the interests of the Community to maintain economic and commercial links with these countries, the Community is forced to accept certain meat imports from these countries. I would like to cite the case of Yugoslavia as an example. The Yugoslavian market can only export a few products, one of which is meat. Of course, the Community has a beef surplus, but for many reasons of which you are aware, and above all for political reasons, it is necessary to maintain economic and commercial links with Yugoslavia and consequently it has to agree to import a certain amount of meat. There is no other option. The Common Market cannot close its doors to the third world.

**President.** — The first part of Question Time is closed.<sup>1</sup> The next sitting will be held tomorrow, Tuesday, 7 April 1981.<sup>2</sup>

The sitting is closed.

*(The sitting was closed at 8.10 p.m.)*

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<sup>1</sup> See Annex of 8. 4. 1981.

<sup>2</sup> See Minutes for agenda for next sitting.

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## ANNEX

*Commission action on opinions on its proposals delivered by European Parliament at March 1981 part-sessions*

1. As agreed with the Bureau of Parliament, the Commission informs Members at the beginning of every part-session of the action it has taken on opinions delivered at the previous part-session in the context of Parliamentary consultation.

2. At its two part-sessions in March the European Parliament delivered nine opinions on Commission proposals in response to Council requests for consultation.

3. Three reports were debated in connection with which the House either gave an opinion in favour or did not request formal amendment, with reference to the following proposals:

Report by Mr Poniatowski on two Commission recommendations concerning relations between the EEC and the Republic of Zimbabwe (COM(80)783 final);

Report by Mr Josselin on a proposal for a Regulation laying down certain fish stocks conservation and management measures applying to vessels flying the flags of certain third countries in the area 200 miles off the coast of the French department of Guiana (COM(81)20 final);

Report by Mr Nielsen on proposals for

- (i) a decision on the conclusion of the agreement, by exchange of letters, instituting an understanding on fisheries for 1981 between the European Economic Community and the Kingdom of Norway (COM(81)21 final), and
- (ii) a Regulation laying down certain fish stocks conservation and management measures applying to vessels flying the Norwegian flag (COM(81)81 final).

4. In six cases Parliament asked the Commission to alter its proposals under the second paragraph of Article 149 of the Treaty, and adopted proposals for amendments.

In the debate on

*the report by Mr Hoffmann on a draft Resolution concerning the priorities and timetable for Council decisions on transport by end 1983*(COM(80)582)

the Commission explained why it preferred to adhere to its proposal.

In the consolidated debate on

- (i) *the report by Mr Gautier on the proposal for a decision to conclude the convention on future multi-lateral cooperation in respect of north-east Atlantic fisheries* (COM(80)668 final),
- (ii) *the report by Mr Kirk on the proposal for a Regulation on the apportionment and monitoring of certain 1981 catch quotas allotted to vessels flying the flags of Member States and fishing in the NAFO Convention regulatory area* (COM(80)720 final) and
- (iii) *the report by Sir Henry Plumb on the proposal for a Regulation determining the 1981 total allowable catch and Community share of certain fish stocks in the Community fishing area and the rules with respect to such catch, and for an amendment thereto* (COM(80)722 + COM(80)881 final)

the Commission explained why it was adhering to its proposals.

In the debate on

*the report by Mr Bocklet on the proposal for a Regulation on the common organization of the market in sugar* (COM(80)553 final)

the Commission stated that it was adhering to its proposal.

In the case of

*the report by Mr Ligios on the proposals for the prices of certain agricultural products and certain related measures* (COM(81)50 final)

the Commission bore this in mind in the discussions in the Council machinery.

5. The Commission also expressed its views in debate, and took note of the European Parliament's opinions, on

the Resolution on the composition of Parliamentary committees;

the report by Mrs Clwyd on the economic, social and occupational absorption of handicapped persons in the Community in 1981;

the report by Mr Lalor on the Western Sahara;

the report by Mrs Castellina on various points in connection with Stabex;

the report by Mr Spinelli on Parliament's approach with respect to the European Communities' 1982 financial and budgetary policy;

the report by Mrs Pruvot on youth activities;

the report by Mr Prag on youth sandwich training in the Community;

the report by Mrs Lenz on relations between the EEC and Romania, having regard in particular to the EEC/Romania Agreement;

the report by Mr Luster on compensation for victims of violence;

the report by Mr Lanagre on the British Government's planned immigration controls;

the report by Mr Curry on disruption of the European apple market;

the Resolution on the attempted coup in Spain.

6. The Commission takes the opportunity to inform Parliament of the aid accorded to disaster victims since the last part-Session.

*As regards food aid for disaster areas,*

- (i) the provision of 11 000 tonnes of cereals to Somalia (to a value of 2 954 600 EUA) was approved on 30 March 1981;
- (ii) the provision of 1 050 tonnes of cereals to El Salvador (to a value of 283 030 EUA) was approved on 20 March 1981.

The following emergency aid has been granted:

300 000 EUA to Kenya;  
50 000 to Tibuti;  
200 000 EUA to Mali;  
40 000 EUA to Seychelles;  
200 000 EUA to Senegal.

## SITTING OF TUESDAY, 7 APRIL 1981

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IN THE CHAIR: MR VANDEWIELE

*Vice-President*

*(The sitting was opened at 9 a.m.)*

**President.** — The sitting is open.<sup>1</sup>

1. *Sale of agricultural products on board ships*

**President.** — The first item is the report by Mr Woltjer, on behalf of the Committee on Agriculture, on:

the proposal from the Commission of the European Communities to the Council (Doc. 1-629/80) for a regulation repealing Regulation (EEC) No 3023/77 on certain measures to put an end to abuses resulting from the sale of agricultural products on board ships (Doc. 1-953/80).

I call Mr Woltjer.

**Mr Woltjer, rapporteur.** — (NL) Mr President, ladies and gentlemen, the Commission proposes that Regulation No 3023/77 should be repealed. This regulation permits the re-import of goods such as cheese, butter, meat, wine and so on in quantities of one kilogram or two litres per product and per traveller free of import levies. The Community has usually paid export refunds on these products, which means that travellers on butter-ships can buy a certain quantity of these products cheaply at the Community's expense. Considerable quantities of such products are now involved: 6 000 tonnes of butter, 1 600 tonnes of cheese and 1 000 tonnes of meat, for which the Community pays several tens of millions of units of account in export refunds. And partly because adequate checks when passengers disembark are impossible, this has developed into a proper business. Not only, therefore, does this arrangement discriminate against certain consu-

mers, because you have to live near ports to take advantage of the system, but shopkeepers in these areas also feel discriminated against because they do not have this opportunity of offering their customers cheap goods on which export refunds have been paid. By abolishing this limited import opportunity, the Commission wishes to remove all the problems arising in this connection. After all, allowing limited imports from third countries does not in fact solve the problem, since EEC products on which export refunds have also been paid can again be used via third countries. The Committee on Agriculture therefore recommends Parliament to agree to the Commission's proposal, while making it clear that there must be strict checks to ensure that this system has been effectively abolished so as to prevent the removal of this fraudulent practice resulting in other fraudulent practices creeping in by the back door.

**President.** — I call the Group of the European People's Party (C-D Group).

**Mr Tolman.** — (NL) Mr President, I should like to comment briefly on the Commission's proposal that Regulation No 3023/77 should be repealed. This proposal is generally approved by my group. Over the years various abuses have emerged, which might give rise to fraudulent practices. I am choosing my words carefully.

There is another side to the matter. The rapporteur has just pointed out that these activities also result in discrimination against other consumers and problems for others who sell these products.

Another factor is tourism. Certain groups take advantage of these 'butter-ships' for a day out to buy some food on the cheap.

The problem is not so serious as to cause anyone sleepless nights, of course, but there may be various fraudulent practices involved. So if this is costing the European Community money, we must take action. My group therefore feels that this proposal must be approved. But I should like to say one thing. I quite see why the list of the products involved includes butter and meat and other products on which refunds are paid when they are exported. But it also refers to

<sup>1</sup> *Approval of minutes, see Minutes.*

**Tolman**

some 1 600 tonnes of cheese. The situation is somewhat different here. Cheese is not an intervention product, and the position as regards this product therefore differs somewhat from butter and meat, although this is a minor aspect of the problem.

My group approves this proposal, and we shall therefore vote in favour of the motion for a resolution.

**President.** — I call the European Democratic Group.

**Mr Curry.** — Mr President, we have looked with interest at this proposal to do away with what is one of the few obvious advantages to the Community taxpayer from the surpluses of certain agricultural products, and we think that on balance we do not like it very much. We believe that if there are people who have used their private enterprise in order to organize these expeditions and if it affords not simply a touch of sea air but also a chance to bring back a certain amount of agricultural produce into the bargain, then this is precisely the sort of venture we ought to encourage. After all, when we travel from airport to airport in the Community we get our duty-free alcohol and we may buy perfume for our wives, and it seems to me perfectly normal that we should be able to buy butter for our grandmothers at the same time. Therefore this seems to us to be using a sledgehammer to crack a nut or to kill a small mouse, and that is not something which either can be imposed with any great efficiency or, if it is imposed, can be presented as anything other than a piece of rather silly meddling in order to close a not very serious loophole in our regulations. Therefore, Mr President, we think that the amount of time and effort which has been devoted to this is wholly unnecessary and that what we should do is to wish *bon voyage* to those who go on these boats and hope they benefit from the journey and that the very small amount of produce which they bring back may help after all to boost consumption in products which almost invariably are declining right throughout the Community. We shall therefore oppose this proposition.

*(Laughter)*

**President.** — I call the Commission.

**Mr Tugendhat, Vice-President of the Commission.** — Mr President, I thought I was going to be in the happy position of summing up a debate in which Members from all parts of the House found themselves not only in agreement with each other, but also in agreement with the Commission.

*(Laughter)*

But unhappily, as a result of the last intervention, I find that that is not the case, and so I will speak for

slightly longer than I had intended, because I do want to assure Mr Curry and indeed anybody who reads this debate that we are not taking a sledgehammer to crack a nut but that butter-ships, as they are commonly called, are in fact a rather serious abuse that needs to be brought to an end. They are, of course, also a subject which has been followed with a certain amount of interest in this Parliament, and the Commission is grateful for the support it has received from so many sections of the Parliament.

Let me just explain exactly what they are, because I do not think the matter is quite as innocent as Mr Curry would seem to suggest. Butter-ships are ships which leave a Member State and come back to that Member State without calling at a port in a third country. The essential difference between that enterprise, therefore, and picking up your duty-frees at the airport is that in the latter case you do not start at Heathrow, fly up into the air and then land at Heathrow!

*(Laughter)*

You set off from Heathrow — or you hope to — and you fly to Brussels or Strasbourg or some other delectable spot, whereas in the case of the butter-ships you simply go out into the North Sea and return to the port from which you came. And that I think is an abuse. Indeed, I understand that these ships sometimes spend no more than an hour at sea.

Now on board these ships products are sold duty-free — and indeed not only butter, as Mr Tolman, I think, said. A number of different products are sold, but butter is the most important. According to our estimates, the quantities of butter sold on board these ships returning to ports in northern Germany correspond to more than 1% of the total consumption in the whole of Germany. So we are not talking about a negligible amount.

One can look at this matter from two points of view: the exemption from import duties and the granting of export refunds. The provisions as regards the exemption from import duties are laid down in Council Regulation No 3023/77, on certain measures to put an end to abuses resulting from the sale of agricultural products on board ship. The application of that regulation is not limited to a specific period, but the Council, when adopting the regulation, undertook to review the measures in the light of experience gained. Subsequently, the Commission made arrangements to ensure that Community producers were not put at a disadvantage as against third-country producers and the regulation was suspended on 31 December 1980, since when no refunds have been paid on imported produce.

Now, we feel that this is an abuse. We feel that the system of refunds was not designed for this purpose. We feel that the whole principle of duty-free purchases is something which ought only to apply in

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certain specific circumstances and that therefore this particular abuse ought to be brought to an end.

Though there may be other aspects of Community policies — and I use the word in the plural — in which greater savings and more economy would be beneficial, I would ask Mr Curry and anybody tempted to follow his advice to accept that, when the Commission does actually act to bring about an end to an abuse to save taxpayer's money and put a policy on to a more sensible footing, it really is a pity when those who are for ever telling us to do that do not actually support us on the day. But I am grateful to those Members of the House who are doing so.

*(Laughter)*

**President.** — I call Mr Walter.

**Mr Walter.** — *(DE)* Mr President, ladies and gentlemen, I should like to make a few comments principally on my own behalf. Various things have been said in the debate which require comment. Reference has been made here to abuses in connection with the present practices on what are known as butter-ships. I do not think this is a case of abuse but of some 9 to 10 million pensioners, members of the lower income brackets in the Federal Republic of Germany, taking the opportunity to buy cheap foodstuffs on board ships.

Ladies and gentlemen, if you see this as a scandal or an irregularity or fraud, let me say this: the only scandal in the European Community is the production of surpluses of dairy products, of the butter surplus.

*(Applause from various quarters)*

Until it becomes possible to get to grips with this scandal or there is a will to do so, this harmless practice of trips on butter-ships in the Federal Republic of Germany should be tolerated.

The Commission has obviously not yet been able to solve the other problem of duty-free purchases at airports.

*(Applause from various quarters)*

It has been said that legally this is a different problem, but as long as Members for the European Parliament are able to make duty-free purchases at airports, German pensioners should be allowed to buy cheap butter on German ships.

*(Applause from various quarters)*

**President.** — I call Mr von Hassel.

**Mr von Hassel.** — *(DE)* Mr President, ladies and gentlemen, I should also like to make a few comments, because I too am extremely dissatisfied with the debate so far. I should like to add to what the previous speaker said, that this question of butter-ships has to do with the frontier regions of the European Community.

There is doubtless no one in this House who is not in favour of the frontier regions being strengthened. Apart from what Mr Walter has said about the pensioners, what these butter-ships can do for the weak peripheral regions of the Community is provide an incentive for tourists. If this practice was stopped, the weak peripheral areas would have one fewer attraction and would suffer as a result. That would, I feel, conflict with the view of the European Community and this Parliament, which would like to strengthen the peripheral areas. The butter-ships provide a living for about 2 000 people in my own home area alone — 2 000 jobs, in other words — and I would therefore be grateful if this matter could be reconsidered in the light of my remarks and those of the previous speaker.

*(Applause from various quarters)*

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

2. *Renewal of the Multifibre Arrangement — Directive on the indication of the origin of certain textile and clothing products*

**President.** — The next item is the joint debate on:

- the report by Mr Welsh, on behalf of the Committee on External Economic Relations, on the renewal of the Multifibre Arrangement with particular reference to the situation of the European textile industry (Doc. 1-61/81)
- the report by Mr von Wogau, on behalf of the Committee on Economic and Monetary Affairs, on the proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States on the indication of the origin of certain textile and clothing products (Doc. 1-73/81)

Also included in the debate is the oral question with debate (Doc. 1-62/81) by Mr Delors and others to the Commission:

Subject: EEC Textile Industry

1. What progress has been made by the Commission in preparing a comprehensive strategic plan for the textile industry in the EEC?

**President**

2. What is the present state of progress in preparing the draft negotiating mandate for the Community concerning the renewal and improvement of the Multifibre arrangement for a further period?
3. Has the Commission had continuous cooperation on this subject with the European Trade Unions for textiles and clothing? What are the results of the most recent talks?
4. What has the Commission done to secure an acceptable agreement with the US authorities over future EEC-USA textile trade?
5. What is the present position concerning the second multi-annual research and development programme for the EEC in the field of textiles and clothing?
6. What Community aids are currently available for the EC textile industry?
7. What is the position concerning aids for textile-producing regions from the non-quota section of the ERDF?

I call Mr Welsh.

**President.** — I call Mr Welsh.

**Mr Welsh, rapporteur.** — Mr President, before I start to present this report, may I please move three quite small technical amendments for the record?

The first is that in the preamble there is a reference to the Multifibre Arrangements of 1976: that should read '1978'.

At the top of page 6 there is a reference to 'Rôle of the United States': that should be deleted.

Finally, paragraph 15 in the English text should read: 'Recommends that the Mediterranean preferential countries be invited to accept a market discipline along the lines of the 1973 MFA and in turn to improve access for Community textile products'.

I would ask the secretariat to kindly note those three technical amendments.

Mr President, we are engaged on extremely important business this morning. The Multifibre Arrangement is the most highly developed sector of the Community's common commercial policy, and there is no doubt that the attitude that the Community takes in these important negotiations will act as a model for future *démarches* in the field of foreign trade. It is not too much to say that the developing countries, our various bilateral trading partners and, indeed, the other OECD States are looking very carefully today to see what we are about.

Our business today is also important because it provides an opportunity for Parliament to make a constructive contribution to the negotiating process.

It has been established quite clearly that the Commission will wait until they receive this opinion from the Parliament before submitting their proposals for a mandate to re-open negotiations to the Council; and I should like to pay tribute to the courtesy and good sense that Mr Haferkamp and his colleagues have shown in reaching this happy accommodation. The fact is that the Commission have made it clear that they wish to take the political views of Parliament on board. This, however, imposes a responsibility on Parliament as well. If we wish our opinions to be taken on board, then we must be sure that they are responsible opinions. If we wish to provide a political platform for the Commission to use in these negotiations, we must be sure it is a platform that will stand up. I would therefore ask those colleagues who have been pressurized by the many special interests that are concerned in these matters, to have a care. It is very easy for us to come out with an opinion that makes extravagant demands for protection. It is equally easy to come out with an opinion that makes extravagant demands for free trade. But I ask you, Mr President, whether either of those extreme positions would be really in the true interests, not just of the Community but, what is most important, of the Community's textile industry; and those who have tabled and moved amendments which would tend to throw us into either of those extreme positions, I would ask them to have a care.

Mr President, your committee, when investigating this matter, held a hearing. We invited five representatives. They came from the industry itself, from the trade unions, from a major low-cost supplying country, from the consumers and, last but no means least, from the major importers and retailers. They presented their views, and very effectively they did so. In fact, I suspect that if you had listened to any one of those five points of view — vigorously expressed — in isolation, you would have felt that it was absolutely right and proper for the Community to rally behind that point of view. Unfortunately, when you put those five points of view side by side it is quite clear that they are mutually incompatible; and I would say to you, Mr President, that it is not possible to produce a position that will at the same time satisfy the industry, the trade unions, the retailers, the consumers and our partner countries. It is just not possible. What we have to do today is to find a middle position, a consensus around which these various interests can rally. I accept that your committee's resolution will give nobody everything he wants; what it will, however, do is to give everybody something, and I submit to you that the something that it gives is the minimum acceptable to preserve their position. Any one who tries to destroy that balance by leaning too heavily towards the industry or to the suppliers will in fact be devaluing the nature of the political steer that we are offering to

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the Commission. And this political steer is very important, because it will not have escaped your notice, Mr President, that the Member States have not been able to produce a considered position to offer the Commission. I very much doubt whether the Commission itself internally has a coherent position. They are subject to all sorts of strains and tensions. Here we are, the European Parliament, giving them the consensus position, the agreed political stand on which they can base their actions, and I hope that this resolution will be taken with that degree of seriousness.

I now turn to the substance. No one can deny that the textile industry throughout Europe has suffered more grievously than any other from industrial adjustment. In my own country — the United Kingdom — over 60 000 people have lost their jobs in the last nine months, and in no sense can their needs be undervalued: there is indeed a crisis. What we are concerned with today is how we can best serve them, how we can best deal with the crisis in order to protect their long-term interests.

We use the word 'protection' — there are those who think that protection is the same as original sin. I do not accept that. We in this Community have no difficulty in protecting the interests of our agricultural workers — indeed, we have an elaborate set of safeguards to do just that — and I do not see why, if it is alright to protect the agricultural workers, one should not also be entitled to protect the interests of the textile workers. So let us have no silly and extreme talk of free trade for the sake of free trade. Let us see what we have to do for our own industry.

The most important thing that we have to do — and I say this very seriously to the Commission — is to improve our understanding with the United States. You will find a passage in this resolution that refers to the underpricing of oil and gas and to the extreme surges of American textile imports into the Community. I do not propose to deal with this today, because I do not regard it as part of the Multifibre Arrangement itself; that is a bilateral question to be solved by the Community and the United States. What I do say, however, is that it is absolutely critical that the United States be induced in these negotiations to take an increased share of low-cost imports, thus easing the pressure on Community markets. And I would say that the liberalization measures that we propose later on are entirely contingent upon the ability of the United States, and indeed other OECD countries, to take a fairer share of the burden.

As for our bilateral partners, these, particularly the more highly developed ones, have already achieved a significant share of Community markets. The right thing to do is surely to ask them to exercise a degree of restraint in their own interest. We all believe in the open-trade system; we are all committed to the restoration of growth: but if certain countries are determined to capture aggressively all that growth for

themselves — if they are determined to swamp our markets, to put our people out of work — then we have to face the fact that politically we shall no longer be in a position to defend the open-trade system. And I say to those representatives of Korea and Taiwan and Indonesia and Brazil and the other developing and newly industrialized countries that are building up massive textile exports: in your own interest, do not force us to put up protectionist barriers that will in fact slow down the recovery of world trade, because that can be neither in your interests nor in the interests of our own workers!

This resolution recommends that these bilateral partners should on the whole accept a freeze on their imports at current levels for at least a three-year period. That is perhaps the most important negotiating point that we ask the Commission to deliver in these important negotiations.

There is no reference in this resolution to the needs of the less-developed countries. The reason for that is simply that the committee was unable to reach a consensus, and therefore I do not propose to comment very much. I would merely say this to those who advocate complete freedom of access for developing countries: we have to convince our own people, the workers in my part of Lancashire who are losing their jobs, that freedom of access for developing countries is a good thing and is in their own economic interests. I believe it is.

But I think we must face the fact that, if we were to say that there should be no restraints whatever on any developing country's exports, politically we would be unable to support that view back home and result would be that the pressure on us would compel us as politicians — and after all we represent our electors and we propose to do what our electors want — to erect the sort of protective barriers against developing countries' imports which would put the whole Lomé process back for at least ten years. I would ask those of you who feel strongly about these things and who regard the Lomé Convention as some sort of article of faith if it is really what you want. Do you wish to whip up such feeling in Europe that no less-developed country is going to be allowed to send anything in at all because, politically, we will not be able to sell the idea to the electorate? Is that what you want?

Mr President, I have dealt with what is in the resolution. I would like to mention two things that are not. You will find no reference here to what is known as a recession clause. A recession clause means that imports should be tied rigidly to consumption and if consumption in the Community drops then import quotas should be positively cut. Your committee rejected this and there were two reasons for doing so. The first is tactical. Realistically, there is no way that the Commission is going to be able to negotiate such a clause with our bilateral partners. Why should they sign such a thing? They have better protection under

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Article 19 of the GATT. Asking for a cut in quotas — and I emphasize the word 'cut' — from their present levels is tantamount to asking for something that is not going to be delivered. It is crying for the moon. It might very well impress public opinion back home, but that, with respect, Mr President, is not what we are about today.

The second reason why there is no mention of a recession clause is because we do not feel that it actually reflects the true long-term interests of the industry itself. After all, the Multifibre Arrangement is supposed to supply a period, a breathing space, for restructuring, and if one permanently reserves — because this is what a recession clause means — a fixed portion of a market for the domestic industry, then you remove one of the major incentives the industry has to adapt and restructure itself.

You will also find in here no reference to what is known as a social clause. The social clause works like this: it is a means of saying to supplying countries 'If you sign the ILO Labour Conventions, and thus raise your workers' standards to something like ours, we shall give you some sort of increased access because then you would be able to compete fairly'. Now, I know that that line of thought appeals a great deal to some people. But there are again two reasons for rejecting it. The first reason is that the Community countries, the Member States themselves, have signed rather few of these ILO conventions. Great Britain has signed five, France has signed seven, Holland has signed six; so we are not actually in a particularly good position to demand that developing countries should sign a greater number of these conventions than we are actually prepared to do ourselves. It smacks ever so slightly of hypocrisy. The second reason is more serious. The proposal is that we should use the social clause as a means of providing improved access from developing countries. In other words we say perhaps to the southern Mediterranean countries 'If you sign these conventions we will increase the amount of imports that you are allowed to send us'. I do not think it is right, and the Trades Union movement does not think it is right either, that this should be used as a bargaining counter in negotiations as important as this. Why should we accept greater amounts of imports from developing countries, thus affecting the futures of our own workers, simply because we want to use it as a device to raise working standards in other countries? I do not think that is right, I do not think it is in the interests of our workers and I do not think it is in the interests indeed of the workers of the developing countries themselves. So we reject the social clause.

I should like briefly, Mr President, to call the Commission's attention to the recommendations in the body of this report which we believe would play a considerable part in improving the operation of the mechanism itself. This is not really a subject for debate today because we are concerned, of course, with the

multilateral negotiations, and they will certainly not be negotiating about the way we, the Community, apply the system. I would however say to Vice-President Haferkamp that it is extremely important that the system is seen to work. We believe that our suggestions as set out in this report will make a substantial contribution to it being seen to work better.

So I conclude, Mr President, by saying that: it is a day to be responsible, it is a day for Parliament to be sensible and realistic. Your committee, after great thought and considerable effort, has produced what we consider to be a perfectly balanced resolution, a credible position for the Commission to adopt and a credible political message for Parliament to give them.

I hope, Mr President, that we shall not allow ourselves to be moved off this point of balance and come out with an extreme report and extreme resolution which will not be respected, which cannot be delivered and will merely devalue the important voice that Parliament has acquired for itself in these important matters.

**President.** — I call Mr von Wogau.

**Mr von Wogau, rapporteur.** — (DE) Mr President, ladies and gentlemen, the report I am presenting to you on behalf of the Committee on Economic and Monetary Affairs is very closely connected with the Multifibre Arrangement, since the events described in the report show that the quotas we have imposed on exporters to the Community in the Multifibre Arrangement also have a direct effect on the functioning of the internal European market.

The directive the Commission is proposing is based on the fact that certain Member States — or a certain Member State, France — have introduced a new system whereby textiles crossing the frontier must bear an indication of their origin. Although this system has not yet been applied to products from other Member States of the European Community, it could be at any time. Other Member States have prepared and in some cases have already approved arrangements providing for this kind of indication at retail level. The Commission has reacted to this and put forward a proposal for a directive calling for two things: an indication of origin at the frontier, which might act as a trade barrier, is not allowed. On the other hand, provision is made to permit the Member States to introduce certain arrangements regarding indication of origin in the retail trade.

The Committee on Economic and Monetary Affairs has decided by a majority to recommend the House to reject the Commission's proposed directive, because we are convinced — as is the Commission — that the requirement that the origin of textiles should be indicated on the goods themselves when they cross the frontier is clearly in contravention of the Treaty of Rome, and specifically Article 30. This view is also

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shared by the Commission. I feel that the arrangement for the retail trade may also infringe Article 30. A further danger, in my opinion, is that, if we introduce arrangements in the textile sector, corresponding arrangements may be made in other sectors also in difficulty, thus leading to protectionistic measures in Europe. I feel we must nip this in the bud and that the European Court of Justice should examine these arrangements.

I should also like to say a few words about the economic policy context of this arrangement. Protectionistic measures taken against third countries — and there is a very strong temptation to resort to this in the European Community — also have an effect within the Community. A system applied by a single Member State to third countries may also result in the barriers going up around the European Community's internal markets.

This is particularly clear in the context of the Multi-fibre Arrangement. We all believe this arrangement should be renewed. But I see here one difficulty, which is also recognized by the Commission and others. This quota arrangement in respect of third countries may also lead to quota arrangements being applied internally. For example, Germany would then receive a quota of 28%, the other Member States corresponding quotas. Each Member State would say that goods are coming into certain countries of the European Community and then being passed on to others and that appropriate checks should therefore be carried out at the frontiers. This would destroy the internal market, which in the past has worked quite well in the textile sector.

At this point I should like to make it quite clear that, as I see it, the future of the Community very much depends on the functioning of the internal market. We need this larger market particularly when it is a question of companies developing new products in order to remain competitive.

Only yesterday I had a very interesting talk with a textile manager. He told me that he has had to pay DM 40m for the development of a new fabric, without having any guarantee at all that this product will in the end be successful. Of course, he may achieve a turnover of some DM 50m in a few years, throughout the European Community. But if we now reverted to national markets, if this new product could only be sold on the German or French market, it would mean that such investments would no longer be made in the Community. Then only Japanese or American companies with a large internal market at their disposal could introduce such innovations. It would also mean that new jobs would be created in those countries while jobs would be lost here.

My personal opinion is that we must adopt a clearer position in our foreign trade policy. We should do a very great deal to strengthen the Community's

external frontiers. I take very seriously what the French in particular repeatedly say, that the customs authorities should be strengthened to ensure that goods do not enter unchecked. We should also have greater *unité de doctrine* as regards the tasks of the customs authorities. We should standardize the sanctions imposed when the arrangements are infringed and demonstrate very much more solidarity with regard to foreign trade than in the past. At the same time, this means for me that the internal market must be kept open or become more open.

The European Community may be more than a Common Market and an internal market. But I am convinced that this Community will have no future if we do not succeed in maintaining and further extending our internal market.

**President.** — I call Mr Macario on a point of order.

**Mr Macario.** — (*IT*) Mr President, I listened to Mr Welsh's report with great interest, but I notice with regret that in this report, which is rightly judged to be of special importance — there are also questions of principle for this new Parliament to be decided here — the rapporteur examined and defined, with a somewhat disconcerting nonchalance, a series of issues which, to tell the truth, I found rather astonishing.

I am convinced that Parliament has not sufficiently considered this resolution. In particular, two important committees have not expressed opinions, the Committee on Economic and Monetary Affairs and the Committee on Social Affairs. I had already spoken with the chairman of our committee concerning the need to deliver an opinion on this matter, and understood that some members of the Committee on Social Affairs wish to study this problem thoroughly. I must also point out that the number of amendments tabled already indicates that Parliament has not made a sufficient examination of the issues.

I therefore present a formal procedural motion requesting that this discussion be postponed to allow the Committee on Economic and Monetary Affairs and the Committee on Social Affairs to express their opinions, in a month's time perhaps. Provided with opinions from not only the Committee on External Economic Relations but also from the two Committees just mentioned, Parliament can then reopen the discussion of this question at the next part-session.

If we do otherwise, this report cannot, even with the aid of amendments, be adequately representative of the will of Parliament, and we run the risk of producing a legislative misfit instead of a mature product capable of attaining the desired objectives.

**President.** — Mr Macario is exercising his right under Rule 32 of the Rules of Procedure to request referral

**Macario**

back to committee. This request takes precedence over the debate which is thereby suspended.

**President.** — I call Mr Welsh.

**Mr Welsh, rapporteur.** — Mr President, I speak as the rapporteur for the Committee on External Economic Relations in the absence of our chairman, Sir Frederick Catherwood. I would first of all like to point out to the honourable gentleman that of course the Committee on External Economic Relations did produce this report, so that it is hardly right to say it should now produce an opinion.

Mr President, this matter was raised on the agenda last night. The President specifically put it to the House and it was decided to take this report today. The reason we are taking it today is, as I have already explained, that the Commission are meeting to put together their proposal for a mandate tomorrow and this they have to do if they are to conform to their own timetable. Therefore unless we pass Parliament's opinion today there will be no opinion of Parliament for the Commission to have taken into account and we will have failed seriously in my judgment in our duty to our electors.

The second point is this. As I said last night, the multi-fibre negotiations are a long ongoing process and there will be plenty of time and plenty of opportunity for other committees to present their considered opinion on these matters as those negotiations go on. No doubt when the House finally comes to debate the settlement which will come at the end of the process those very important opinions will have been developed and finished.

The third point I would make concerns the amendments. I have examined the amendments that are available with a great deal of care and I find that most of them have already been tabled in the Committee on External Economic Relations and rejected by that committee. So I do not think it is open to the honourable gentleman to say that Parliament has not given due consideration to them because they have already looked at these amendments in the committee and rejected them.

Finally I would say this: if we are to discharge our responsibilities we must take those responsibilities seriously. If we put off now the opportunity we have to deliver an opinion, then I think we shall have sadly failed in our duty to our electors. I therefore would ask the House most sincerely to reject Mr Macario's motion.

**President.** — I call Mr Bonaccini.

**Mr Bonaccini.** — (IT) Mr President, yesterday I introduced some similar considerations from a formal

point of view, though in a somewhat more concise manner than Mr Macario has just done. I was answered with substantive arguments such as those Mr Welsh has just advanced. I think that there are several observations to be made: first, that these substantive arguments have no definite motivation, because as we know the multifibre negotiation is a long one, and we will therefore have plenty of time to discuss the matter. What counts is to adopt the correct approach, not simply a commercial one which is questionable in itself. Second, from the procedural standpoint, I stand by my view, even though yesterday the President did not take my observations into account. For this reason, I support Mr Macario's proposal.

**President.** — I call Mr van Aerssen

**Mr van Aerssen.** — (DE) I am opposed to the referral of this report to committee for two reasons. Firstly, despite what Mr Bonaccini has said, we have had enough time to consider the matter. Secondly — and this is an important argument — this directly elected European Parliament is trying to strengthen its position. We have repeatedly said that, before the Commission enters into difficult negotiations, we should join with it in defining the framework within which such negotiations should take place, so that Parliament can in fact perform its control function. If we intend to say anything at all to the Commission before the negotiations actually begin, we must decide on this report today. Consequently, Mr President, I am opposed to its referral to the committee and call on Parliament to do its duty.

**President.** — I call Mr Müller-Hermann to speak on a point of order.

**Mr Müller-Hermann.** — (DE) Mr President, I should like to take this opportunity to address a few words to our Bureau. There is undoubtedly a need for great speed in this case. But again and again we find that reports are not allocated to the committees as a function of the matter in hand, but that a committee is made responsible, while others which are in fact affected by the matter are not involved. I would therefore ask the Bureau to consider whether there is not an urgent need for a change in the present practice.

**President.** — Mr Müller-Hermann, I agree with what you have said. I shall not comment further, but your statement has been noted and the Bureau will consider it.

(Parliament rejected the request for the referral back to committee of the Welsh report)

**President.** — I call Sir James Scott-Hopkins on a point of order.

**Sir James Scott-Hopkins.** — Mr President. Could you make quite certain that when we are going to have a vote the bell which is sounded beforehand really does work in the corridors? We had a small meeting in Room No 1 on the second floor and we could not have heard the bell unless one of our secretaries came in and told us. Would you please ensure that the bells are heard throughout the building before a vote takes place and that it is displayed on the television screens?

**President.** — The matter will be looked into.

We shall now proceed with the debate.

I call the Committee on Development and Cooperation.

**Mr Lezzi, draftsman of an opinion.** — (I) Mr President, unlike the other committees, the Committee on Cooperation and Development was instructed deliver an opinion. It hastened to respond to the requests it received, particularly from the Committee on External Economic Relations which wanted to draw up its own report before the Commission began the negotiations for the renewal of the Multifibre Arrangement.

The Committee on Development believes it is necessary to renew the Multifibre Arrangement, even though its results have not been positive up to now. There are still serious difficulties persisting in the textile and clothing industries in the industrialized countries, and particularly in the EEC, and there is still considerable dissatisfaction in the developing countries over the voluntary limitations they have been obliged to adopt.

The Committee on Development believes however that it would be a serious mistake to attribute the difficulties in the textile sector exclusively to the volume of imports from the developing countries. There has in fact been no global industrial policy in this sector; the Council of Ministers rejected proposals by the Commission in 1978, if I am not mistaken; the Community has been weak in the face of the aggressive Japanese trade policy and the persistence of trade barriers erected by the United States.

Although in the last decade there has been an appreciable increase in the production and export of textile products in the developing countries, this has not given rise to the hoped-for new international division of labour. The increase is due only to the dizzying one-sided industrialization of certain countries in South-East Asia, particularly Hong Kong, South Korea, and Taiwan, by means of foreign investments, American, Japanese, and European as well, and is encouraged by a completely uncontrolled freedom of investment, by the repatriation of profits, and by a legislation harsh towards labour and its organizations. Such laws have created no better conditions for workers and have not contributed to the development of a national industry,

but they have caused serious disturbances in the market

The renewal of the Multifibre Arrangement should guarantee the existence of a textile industry which is vital for the Community, and at the same time reestablish the textile trade balance between the various exporting countries and the individual areas of import. It is well known that the Community imports one out of every three products, while the United States imports one out of five and Japan one out of eight. It is necessary to guarantee access to textile products from the developing countries, but access to the market alone is not enough to ensure development. The conditions of industrial development must be created in these countries before access to the European market can be fully exploited.

A Community industrial policy is therefore necessary. The policy of cooperation in development must be reinforced, encouraging investments and savings in the developing countries and promoting trade. In other words, we must harmonize the demands of development and the demands of restructuring by correctly carrying out the consultation procedure. In this difficult sector, conditions are more favourable between the EEC and the ACP than between the EEC and the rest of the world. During the period 1977-1979 there was a 20% increase in textile exports for the group of products covered by the Multifibre Arrangement, and an 11% increase for hypersensitive products. Nevertheless, the ACP's share in the total imports of the Community remains very small — 1.6%. In any case, your rapporteur knows very well that the EEC must respect commitments freely entered into through the Lomé agreement and ratified by nearly all of the national parliaments.

In conclusion, the Committee on Cooperation and Development pointed out that the European Trade Union Confederation, in its criticism of the formulation and application of the Multifibre Arrangement once again declared it necessary to include the social clause in the new agreement.

In principle the social clause is accepted as sacrosanct, valid for the developing countries but especially so for the Community, which has serious responsibilities concerning this particular problem. On the other hand, while admitting the need to consider this aspect, some object that in this particular circumstance there is a risk that the social clause could be invoked not in order to encourage growth and development for the populations of the developing countries but rather for protectionist purposes.

This point of view cannot, in my opinion, be subscribed to by Parliament. When, if not in a circumstance like this one when a trade agreement is to be initiated, can the problem be discussed? If we do not face it now, we run the risk of speaking in a vacuum, as occurred in the previous legislature, when

**Lezzi**

in a May 1979 debate Parliament approved by a large majority the respect of the minimum standards sanctioned in the ILO's conventions and recommendations, only to have the Council of Ministers refuse to act on Parliament's recommendations, as it had already refused to act on a recommendation by the Commission concerning illegal immigration.

This should make us all the more ready to call upon the Commission once again and urge that in the negotiations and in bilateral relations attention be paid to this question which, however complex it may be, must be concretely dealt with sooner or later.

## IN THE CHAIR: MR KATZER

*Vice-President*

**President.** — I call the Legal Affairs Committee.

**Mr Dalziel, draftsman of an opinion.** — Mr President, on behalf of our committee, which was responsible for the drafting of an opinion on the von Wogau report, I should like to make one or two remarks which I hope will add to the debate.

First of all, it was the unanimous view of my Committee that the responsibility for the marking of origin should lie either with the manufacturer or with the importer, but not with the retailer.

The second point we discussed — and here one really has to criticize the Commission quite severely — was the mediocre drafting of this particular directive. There is, of course, in the directive no obligation upon the Member States to make the marking of origin compulsory, and therefore it is rather difficult to find in the directive a legal basis for the kind of argument which they are putting forward. Certainly, the view that the retailer, or, as they word it, the 'final stage in the commercial chain', should be responsible does not lie very well with the inconsistency of the drafting of the directive.

Thirdly, what we found most interesting and most worthy of comment from the legal affairs point of view was that this draft directive seemed to be a departure from the norm of Commission policy on drafting, for although the directive is addressed to all the Member States it does not require them to legislate in any particular way.

So, in conclusion the Legal Affairs Committee attached a great deal of importance to the principle of origin marking. We believe that not only national legislation should be in place to make origin marking

compulsory but legislation should also be adopted and enforced at Community level. We did not, because it was not within our brief to do so, go as far as Mr von Wogau went in the Committee on Economic and Monetary Affairs and urge a rejection of this draft directive; but we certainly felt that the directive should be amended to require Member States to impose on manufacturers a duty to mark the origin of clothing and textile goods.

So, in conclusion, what we would say is this. We have severe reservations on the drafting of the directive. We do not go so far as Mr von Wogau, but certainly we would urge a very heavy redrafting of the directive. Finally, it raises issues of general legal importance, particularly in the attitude presently being adopted by the Commission on draft directives, which we in the Legal Affairs Committee would like to look into at some time in the near future.

**President.** — I call Mr Seal.<sup>1</sup>

**Mr Seal.** — Mr President, I should like to emphasize that this debate on textiles, whilst on the agenda as a joint debate on the two reports, does include the oral question with debate that we have had tabled for at least six months. This is therefore a full-scale debate on textiles and will, I hope, cover much more ground than merely the MFA, although that is very important, and the report on origin marking.

Before I go into the oral question in detail, Mr President, I should like to recall some of the background situations regarding textiles in the EEC. The textile industry, whilst it is no longer regarded as an exciting new industry, must not and cannot be written off, because it is still one of the most important industries in the EEC. Ten percent of the working population is employed in the textile industry, and in terms of net yearly output, the textile industry in the United Kingdom, for which I have the figures, contributes £ 4 500 million. In comparison, the car industry contributes only £ 4 400 million; the coal industry which we all regard as important, £ 2 600 million; and the iron-and-steel industry £ 1 300 million. This puts the textile industry into its proper place as regards the production of wealth. Despite losing something like 800 000 jobs in the last 5 years, in the United Kingdom, for which I have the figures, we still employ 630 000 people in textiles. In comparison, only 388 000 are employed in the car industry, 280 000 in the coal industry and 163 000 in the iron-and-steel industry. So the textile industry, whilst not glamorous, whilst not exciting, is a very important industry in the EEC.

Moreover, whilst in the last 5 or 6 years in the EEC we have lost something like 1 million jobs, we must

<sup>1</sup> Co-signatory of Oral Question, Doc 1-61/81.

## Seal

compare that with some of the other major trading blocs in the world. The US textile industry, for example, in that time has lost only 25 000 jobs. In terms of numbers therefore, we cannot ignore the textile industry or the massive contribution that it still makes to the wealth of the EEC. At the same time, we must remember, when we talk about millions of jobs lost, that each one of them is a personal tragedy for the person concerned. I can only quote with certainty knowledge derived from my own constituency, where there are no jobs available to replace those that have been lost in the textile industry, but this is true throughout the whole of the EEC at present. We are losing jobs in textiles and there are no others available to replace them. Moreover, we tend to be losing jobs in the areas which already have high unemployment. In the UK, this applies to Yorkshire, the North-East and South Wales, and in Italy to the areas where there is high unemployment. This is something that we must very much bear in mind in this debate.

*(Interjection from certain quarters of the European Democratic Group: 'And the North-West?')*

In Bradford, my own constituency, which was once, I may say, the heart of the wool textile industry in the world, we are rapidly approaching the point where there will be no wool textile industry left at all. We have the highest youth unemployment figure in the United Kingdom.

Unfortunately, we have a very high number of Asians unemployed, and the ironic situation is that these Asians were admitted to the United Kingdom or encouraged to come there by previous governments in order to work in the textile industry, which is now facing these massive job-losses. It is not good enough, I am afraid, to treat the textile industry in the way the British Government is doing at the moment, on the principle of *laissez faire*. The Commission must note and follow the excellent example set by the Belgian and French Governments in their approach to the textile industry. We must decide the size of the industry we require; we must then ensure that this is maintained and the industry strengthened. I feel, and certainly the trade unions and many employers feel, that the Commission should be much more aggressive about promoting EEC-produced textiles in the rest of the world. Our share of the world market over the last five years has not increased in line with the increasing demand for textiles throughout the world. As for the situation within the EEC, may I remind you that one in three textile garments sold here is made outside the EEC, whereas the corresponding figures for the USA are one in five and for Japan only one in ten.

It is against this background that we must be looking at our textile industry, because our aim, whatever is said, must be to secure a framework in which our textile industries can be allowed firstly to survive and then to reorganize and expand. The level of access to the EEC markets must be determined only by the state

of our Community market and the forecast — and there are many forecasts — of consumption of textiles over the next five years vary from 0.05% to 1.5%, depending on which figures you are looking at. The problem in the UK, of course, is more severe because our figures there are even lower than the overall forecast of increased demand for the EEC. Consequently, Mr President, whatever we say about the MFA, the growth in imports must be adjusted to take account of our low increase in the growth of demand and also, of course, to take account of our exports. The Commission must give a lead in this. They must give a lead in producing a comprehensive Community strategy for our textile industry as a whole. This must include a global ceiling for imports and suggested national market shares. It must also include areas of national distinctive competence.

Now all these can be put forward by the Commission and hopefully will be put forward by the Commission, after thorough discussions with the industry and with the trade unions. It seems to me, and to many of my colleagues, that not only do the Commission not appear to have any kind of strategic plan for textiles, but they go out of their way to antagonize at many meetings the European trade unions. This is something that must not continue. Unless the Commission make an effort to use the holistic system's approach for textiles, they cannot be regarded as the competent body to renegotiate the next multifibre agreement. Trade policies and industrial policies must be linked together for the EEC. If the Commission refuse the responsibility for drawing up such plans, then the EEC market will not only be disrupted by imports but it will also be disrupted by the governments of the EEC who are most determined to protect their individual textile industries. The Commission, without such a strategic plan, however difficult this plan is to prepare — and I do accept that it is a very difficult plan to prepare — cannot possibly competently negotiate quotas. They cannot plan their research and development programmes and neither can they be in a position to allocate aid to the industry or to the workers who are being made redundant in the industry. I cannot stress too much the importance of such a strategic plan for the industry.

Now I am not suggesting a permanent, blind total protection, and I would agree with Mr Welsh on this. But I want Europe — and here I quote a past Commission document — to have a highly efficient textile and clothing industry which is capable not only of competing internationally, but also of providing a large number of jobs over a long period. As demonstrated already by governments of the EEC this can only come about if we have forward government economic planning. We must support the principle of shared growth in textiles, not only for the benefit of the developing countries, but also for the well-being of the individual Member States.

## Seal

As this is a joint debate, Mr President, I would briefly like to refer to the two reports which are under discussion. Firstly, as far as origin marking is concerned I cannot agree with the whole of Mr von Wogau's report. I feel that it is very important that the consumer should be as fully protected and informed as possible on the origin of the goods which he or she is buying. Certainly the new United Kingdom statutory instrument in this field goes some way, although not far enough, towards achieving this. It is certainly absolutely unacceptable for us that the EEC should take action which could override such decisions which are made nationally. Certainly we could not accept that at all.

Another point I would like to mention is that measures such as the United Kingdom are proposing will apply only at the point of retail sale and therefore, in spite of the allegations made in Mr von Wogau's report, they are in no way an obstruction to any kind of intra-Community trade. This must be borne in mind.

Let me now briefly turn to the Multifibre Arrangement. As a member of the Committee on External Economic Relations I cannot disagree with most of the proposals which have been put forward in the Welsh motion, particularly since many of the amendments suggested by our committee have actually been incorporated. Where I can take issue is with the omissions from the motion and the lack of emphasis which has been placed on the motion. As far as the British wool-textile industry is concerned, the next Multifibre Arrangement is an academic exercise because, unless action is taken now, there will be no British wool-textile industry by the time the next Multifibre Arrangement is negotiated. I call here both on the Commission, but particularly on the British Government, to take action now to save the British wool-textile industry. I would like to emphasize the ten-year extension of the Multifibre Arrangement which Mr Welsh suggests in his report and motion. This is particularly important to the industrialists and to the workers of Europe and particularly important to the developing countries of the world. The report concentrates too much on the trade aspects. It completely neglects the interests and problems of the textile workers in the EEC. I know Mr Welsh feels concerned about the textile workers in the EEC — he has said so many times — but unfortunately this is not reflected in his report or in the motion. The report does not emphasize enough the positive role in marketing the EEC textiles that could be played by the Commission. This is something that we must stress. It does not emphasize enough the problems caused by the USA in the field of man-made fibres. Whilst this has been mentioned in the report, I feel that it must be stressed more.

The report, as Mr Welsh has already pointed out, does not recommend the necessity either for a social cause or for a recession clause. Both of these are accepted as necessary not only by the trade unionists but also by

the industrialists and the employers in Europe. In spite of Mr Welsh's explanations on this subject, I feel that we must insist that they are incorporated in the next Multifibre Arrangement. In addition — and this is going one step further — I feel there should be a revision clause which regulates the situation as far as outward processing is concerned. Let me outline, Mr President, the situation as far as Sri Lanka is concerned. The workers there are working 60 hours a week for one dollar a day. This is the place where Germany is sending a lot of their cloth to be made up into shirts. There is no way that we in the EEC can compete with that kind of pay or those kind of working hours. Outward processing must be slowed down; it must be included in the import quotas and a maximum limit must be set for this. I also feel, Mr President, that the motion does not give enough attention to the problems of the Mediterranean countries or to the different approach in trade that should be used as far as the newly industrialized countries, the USA, and the developing countries are concerned. I feel that the developed countries are quite right when they say that the existing MFA is a charter for the developing countries to penetrate the markets of the EEC.

Now the proposals I have mentioned are not academic proposals. They have been discussed with the European trade unions and the European employers. I can warn the Commission and the Member States that in future the textile trade unions are not going to make to governments the kind of concessions that they have made in the past in order to try and protect jobs because they realise that this has failed, they have got absolutely nowhere. The trade unions are going to take a much tougher line, and rightly so, in the future when it comes to negotiations. The textile industry has lost millions of jobs — literally millions of jobs. Approximately half of them have been lost through improved technology, but half have been lost through cheaper imports. Certainly we must keep our links with the poorer countries but we must also, at all times, consider our workers in the EEC. And this can only be done by a sound, agreed, forward economic plan.

**President.** — I call the Commission.

**Mr Davignon, Vice-President of the Commission.** — (F) Mr President, the Commission felt that it could present its case to Parliament in this debate more effectively by adopting a systematic approach. I shall start the ball rolling by talking briefly about our view of the internal situation, Mr Narjes will then respond on behalf of the Commission to Mr von Wogau's report, and finally, to round off the debate, Vice-President Haferkamp will deal with all the points that are outstanding.

Mr President, the Commission made the point very plainly in its position paper that before considering the

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Multifibre Arrangement it is essential to have, at the outset, a clear conception of the future development of the textile industry in the Community and of the Community's external policy in this sector. It is true to say that an external policy is a reflection of the objectives we set ourselves on the basis of what are our interests and of our perception of trade structures. An external policy is not an end in itself, it is the reflection of what the Community sees as its political expedients. When, at the time of the last Multifibre Arrangement, the Commission developed these arguments before the Council and presented them with a strategic plan for the textile industry, the Council were not disposed to pursue the Commission's arguments to their logical conclusion. Accordingly there has never been any real discussion on the textile industry between the Commission and the Council. It is intolerable that the various governments, while being prepared to reflect on the position of the textile industry in their own countries, are not willing to engage in multilateral discussions with the Commission, especially as so many economic interests and the lives of so many people are at stake.

I should add that as a result of our efforts in recent months the governments, realizing finally that *ad hoc* policies would be unlikely to produce the kind of economic solutions the Community needs, have at last agreed to think in terms of an overall strategy for the textile industry. This means that we shall now be able, when we attend the forthcoming meeting of Industry Ministers, to discuss in more general terms problems relating to the strategic plan for the textile industry, and other problems besides. We see this, then, as a gesture on the part of the states and for this reason the Commission will be submitting to the Council, and to Parliament, before the summer recess, a document setting out our objectives for the textile industry based on our needs. And let me say to Mr Seal that the suggestion that, if it were left entirely up to the Commission, there would be no strategic plan for the textile industry is a suggestion without basis in reality or in fact.

Another factor to bear in mind is the extraordinary complexity of the textile problem. There is no such thing as a textile industry. Within the textile sector there is a variety of activities, each quite different from the others. Clothing is one thing, yarn manufacture is another. It is impossible to generalize about this sector. Mr Seal mentioned the problems of the wool industry. The problems of the wool industry and the problems of the man-made fibre industry are entirely different. There are, however, two considerations that I believe must be highlighted in that they are indicators of change.

The original intention behind the Multifibre Arrangement was to give the European textile industry a breathing space, because the Commission thought it desirable, for economic, social and regional reasons, to preserve certain important areas of activity in the

Community. And let me make it clear, once and for all, that the Commission does not subscribe to the notion that the natural trend is to get rid of certain parts of the textile industry in the Community and let them be taken over by countries outside the Community. Our policy is a policy of adjustment that will enable us to protect our industry as much as possible. Well now, what have the last four years taught us? They have taught us that the Multifibre Arrangement has worked for the developing countries but that our competitiveness has deteriorated in relation to the other industrial nations. That is the danger signal for the Community. From the point of view of the cooperative framework that we have tried to establish, the Multifibre Arrangement has worked satisfactorily.

On the other hand — and this is the question we really have to ask ourselves — why has the Community's textile industry become less competitive compared with other industrial nations, that is to say our normal competitors? What are the reasons behind it? Is it because our industry has become capital-intensive and, given the present state of the markets, capital is difficult to get hold of? Is it a problem peculiar to small and medium-sized undertakings? Secondly, is it that in our countries — Mr Welsh referred to this in presenting his report — we cannot match the funds made available to the industry for research and development that the industry elsewhere might enjoy? Is it not strange that in a country like the United States, by the use of new technology, they can manage to keep production costs and prices at a lower level than in the developing countries whilst we can not?

It is our intention — and this is the second point — to make provision for some of the industries in this sector within the Community's overall research and development programme. I believe our attitude in this respect has changed. We have to build research and development into the overall strategic plan so that we need no longer be confronted with unforeseen demands on our budget, as has been the case in the past. We have to try to submit separate programmes with their own budget appropriations. It would be as well therefore, as I see it, to incorporate these programmes in the Community's overall research and development policy. Thirdly, Mr President, we need to come to grips with the social problem, whether it calls for training or for redeployment aid.

These are the three fundamental questions to which the Commission's proposals will have to supply the answers. Let me run through them again. First question: Why are our industries uncompetitive in relation to industries in countries comparable to our own? And, by the same token, how are we going to be able to expand our exports — which is something we want to do — if we cannot compete with other industrial nations? That is the first question we have to look into. Second question: The problem of the use to be made of data processing and the role of research, not

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forgetting the financial problems that may be entailed. Third question: This is to do with firstly training and secondly retraining. Because — make no mistake — if we are successful in the textile sector, as we intend to be, our exports and our output may increase in value but not in volume. And that is the fundamental point. I believe that the most recent survey of the French textile industry spells this out very clearly. It indicates that while in terms of value French textiles have shown an improvement, in terms of volume they have lost ground. To put it another way, although the effect on employment of such a situation may be negative, in value terms the French textile industry is becoming increasingly competitive. Mr President, those are the three points that will form the basis of the Commission's proposals to the Council and that are in any case central to our other actions in the area of external trade.

In conclusion, Mr President, we have to ask ourselves how we can take the fullest advantage of the protection that the European textile industry will continue to receive thanks solely to Community action in the area of external trade. There, I have explained to you what the Commission's policy is and I believe that on these various points it is quite straightforward.

**President.** — I call the Commission.

**Mr Narjes, Member of the Commission.** — (DE) I should like to begin by thanking the two rapporteurs for their excellent reports, for their accurate and concise introduction to these difficult problems and also for their efforts to establish a practical basis for the by no means easy decisions that have to be taken soon.

This morning's debate — like the discussions in the committees concerned — has shown how great the difficulties are and how the situation in the textile sector differs from one Member State to another and that the economic and social effects of these various aspects of the European textile crisis must be considered very carefully. As another 20 Members are down to speak in the debate, I shall not discuss these aspects in detail but concentrate, firstly, on the link between the Multifibre Arrangement and the internal market and, secondly, on a number of details in Mr von Wogau's report.

First, there is an economic link between the two reports, that is, between the Multifibre Arrangement and the internal market. We must realize that the Multifibre Arrangement is limited in its uses and above all in its period of application and that it is designed to give our textile industry a breathing space to effect the necessary changes and restructuring and so to become internationally competitive again. We must not forget that it is an exceptional arrangement and represents a departure from the general rules of GATT. The exten-

sion of the protection of the textile sector against third countries must therefore be accompanied by a cohesive policy within the Community, and this should be primarily geared to maintaining and developing the internal Community market to assure our companies of the climate they need to take advantage of their innovation potential under conditions of fair competition.

I therefore feel that the conclusion of the new Multifibre Arrangement and the consequent continuation of the protection afforded by this arrangement at Community level against third countries must be accompanied by a clear declaration of war on the internal protectionism now emerging in the textile sector. At the same time, the internal frontiers should be opened to goods imported from third countries under quota arrangements. This means a gradual change from national to Community quotas, accompanied by a reduction of the 'protection at the internal frontiers' for which Article 115 provides. I therefore very much hope that this interplay of protection against third countries on the one hand and the internal market on the other will be a decisive issue in today's debate on the Multifibre Arrangement. Unfortunately, the importance of this link is all too often not appreciated, deliberately misunderstood or intentionally ignored as too overt an instrument of self-interest.

Secondly, I should once again like to thank Mr von Wogau and the Committee on Economic and Monetary Affairs for their report on the proposed directive, which concerns a difficult border line area of the rules that are essential if freedom of movement and the internal market are to function satisfactorily and reliably, in a way, therefore, which the economy can predict in the long term. The various votes taken by the committees concerned and by the Legal Affairs Committee have already been referred to this morning and demonstrate the considerable need for clarification of the grey area between freedom of movement and the protection of the consumer. There can be no doubt that any legislative action taken, any requirement — whether imposed on the manufacturers or on the trade — may have the effect of obstructing the development of the division of labour in the internal market and, if applied more vigorously externally, of preventing the development of the division of labour in the world economy. Any action taken must therefore be fully justified, especially as the consumer for whom the protection is designed is also interested in being offered a wide range of cheap products.

The Commission's proposal, which was carefully examined by the Committee on Economic and Monetary Affairs, is basically motivated by the following considerations:

Above all, we are trying to prevent a situation in which national legislation planned or already introduced in various Member States on indications of origin becomes an obstacle to trade in the intra-Community

### Narjes

movement of goods. Perhaps this reflects a fundamental difference of view from that held by the majority of the Legal Affairs Committee, which fails to realize, in advocating that the manufacturer be made responsible for indicating the origin of goods, how much such requirements can be abused by customs authorities, thus seriously obstructing intra-Community trade. A number of instances in the recent past have shown us how true this is. In view of these dangers there is a need for preventive action to be taken within the meaning of Article 100 and for harmonized rules to be introduced at Community level, that is to say, rules which are applied flexibly and take the greatest possible account of the principle of free movement of goods.

In view of the many different reactions to the Commission's proposal, we have always been aware that, as I have already said, there are grey areas and borderline areas that need clarification. We shall therefore take the criticism and suggestions for improvement to our proposals particularly seriously. But we should realize that we cannot take any decision here: after various important matters relating to the basic principles of the Common Market have been clarified, freedom of movement and other standards must be our guides.

Let me put the basic questions another way: does the indication of a product's country of origin meet a genuine need for information felt by the consumer or not? Is not proper use already being made of indications of origin, without there being regulations, where this serves to indicate quality? Irish linen and Scottish wool, Italian silk and all the others, each in itself an indication of geographical origin used by the trade when it seems useful as an indication of quality. Why should governments intervene here? If the consumer really does need to be protected, the question must be, how does this need compare with other details of price, composition, quality and so on?

Secondly, is there any need for an indication of origin, and by this I do not mean an unreasonable one as in the case of the *Cassis de Dijon* judgment, which I will refer to again in a moment? In this respect there may be something in Mr von Wogau's report that might give rise to misunderstandings. In its communication of 3 October 1980 on the effect of the *Cassis de Dijon* judgment, which has been referred to several times, the Commission in no way stated its views on the problem of indicating origin. All the Commission did in the communication of October 1980 was to point out that, following the decision of the European Court of Justice, obstacles to the Community's internal trade resulting from differing national legislation on the marketing of products need only be tolerated if these provisions are necessary to satisfy essential requirements and specifically the requirements of effective fiscal control, the protection of health, fairness in trade and, of course, the protection of the consumer.

In line with the view it has hitherto taken, the Commission has now initiated proceedings under Article 169 of the EEC Treaty against Member States on the grounds that their legislation on the compulsory indication of origin contravenes Article 30, and it will continue to do so in the future. One of these cases, which concerns jewellery in Ireland, is already before the European Court of Justice in Luxembourg. In the case of the compulsory indication of the origin of certain electric motors in France the Commission will shortly have to decide whether to bring an action. The action relating to the requirement to indicate the origin of certain textile products in France was suspended after the French Government had given an assurance that the legislation criticized would not be used in intra-Community trade. Mr von Wogau pointed out that this measure does not at present have the effect of a measure within the meaning of Article 30.

Such action against national measures should not, however, generally prevent the Commission from exercising the mandate conferred on it by the EEC Treaty and preparing measures at Community level to supplement and round off its repressive activities on the basis of Articles 30 and 169. The Commission should thus be in a position at all times to take preventive action when it becomes clear that harmonization measures are essential for legislation in the Community.

All in all, very many questions remain unanswered. After carefully examining the results of this debate and taking note of the report and the opinion of the Economic and Social Committee, which it is expected to publish in the foreseeable future, the Commission will be looking at the whole complex once again and then adopting its final position on the directive we are now discussing.

**President.** — I call the Group of the European People's Party (Christian-Democratic Group)

**Mr Filippi (IT)** — Mr President, ladies and gentlemen, I would first like to express my appreciation to the rapporteur of the great effort made in drawing up this demanding report; I would also like to express appreciation for the good intentions repeatedly shown, even though unfortunately — I say it very clearly — they remained but good intentions. The objective was to put Parliament in a central position, so to speak: Parliament's role, on the eve of difficult negotiations on the MFA, was to provide the Commission with indications which would permit it to abandon its indifference and take up the positions first developed in Parliament.

Mr Welsh's explanation this morning dealt a heavy blow to this approach insofar as it has in some cases upset the policy worked out in the Committee on

## Filippi

External Economic Relations. Our rapporteur, in fact, came to tell us frankly that it would be necessary to delete completely paragraph 6, precisely the paragraph which deals with relations with the United States and examines the difficult situation of our relationship with this country and our problems in dealing adequately with the tariff barriers erected by the U.S.

With equal frankness, our rapporteur said this morning that references to our preferential relationship with the developing countries, with the Mediterranean countries, and in particular with the Lomé countries should not be considered as an article of faith. None of us had ever insisted that this kind of preferential relationship be considered as unassailable dogma. It is a fact, however, that everything Parliament has done has tended to emphasize the preferential relationship which should exist between the European Economic Community and the countries of the Lomé Convention.

This morning our rapporteur came to us again to tell us that the report should contain no references to social factors. What had we said, Mr Welsh? We had only asked, social-democratic colleagues of this Parliament, that the report on the Multifibre Arrangement contain a reference not to this or that attitude or this or that political group but to the guiding principles laid down in the treaties and also supported by the ILO. A severe reproof was issued in regard to the demand to bind import policy to consumption policy.

Mr Welsh will permit me to say that his report, which was intended to be impartial, has become biased.

I know that appeals are often made here to this or that constituency, as you have explicitly made here to yours, but permit me to say that this is not the way to demonstrate a sense of responsibility, to transmit a message of credibility — I use your own words, Mr Welsh — nor to protect Parliament's reputation. We realize the interests Mr Welsh's report wishes to protect. We also realized it at the hearings to which the rapporteur so smugly referred. What hearings do we have in the Committee on External Economic Relations? We listened to a consumers' organization. Everyone here today knows what weight a consumers' organization has, and how it is regarded. Referring to the organization in my own country, I must say that it is simply laughable, to use a euphemism instead of a stronger but perhaps more accurate term. This is the kind of organization which was heard, Mr President. From among the many retail chains only FTA, a large Dutch-German chain, was heard. Apparently no need was felt to consult La Fayette, or Innovation, or Rinascente, only to mention the best-known names.

Our rapporteur told us this morning that the exporting countries has been heard. Only one was heard, Mr President: the representative from Hong Kong. The result has been an attempt to give us a partial viewpoint, which was reflected in the Chamber this

morning. This we cannot accept, and for this reason we are very doubtful about the Welsh report.

In substance, Mr President, the objective was to favour large-scale retailers, the large chains, and this at the expense of the workers in the textile sector and at the expense of the textile industry. For the first time in the history of a labour controversy, workers and industry were marching side by side, pursuing the same objectives, working together in a mutual effort to save the ailing European textile industry. It was not considered necessary to take into account the fact that out of every hundred products consumed in Europe, forty-one are imported. Mr Welsh, I ask you and I ask myself: can we call protectionism measures which are intended not to create artificial protectionist barriers but rather to safeguard products manufactured in our own Europe? I say then that the experience of the past has been tragic, Mr Davignon, because the indications given by the Council to the Commission were precise in urging the Commission in 1977 to exert itself in order to obtain, during the entire period of validity of the renewed MFA, 'a stabilization of the penetration rates for imports, which are such as to bring about imbalances in the market in relation to the 1976 rates, so that the producers of the EEC can be assured of a fair share of the market.' This was the message, these the precise indications given to the Commission by the Council. And what have been the results? In relation to the 6% import ceiling respected in 1978, we climbed to 19% in 1979 and reached 20% in 1980 — these are global figures for all the importing countries in Europe. What is more, each year a further 250 000 workers are added to the already 4 million jobless estimated in the EEC. These have been the results of the Commission's policy in the textile sector.

At this point, we cannot be unaffected by the Welsh report, which continues in the direction of unemployment. Let it be made very clear: we were not elected to create a Europe which produces unemployment. A remedy must be found. Commissioner Davignon is right when he says that the discussion cannot be limited exclusively to the MFA, and that it should be extended to include research, the study of new mechanisms and new industrial structures so that the recession in Europe may be overcome. To confine the great problems of the industrial crisis and of the recession to the narrow limits of the MFA is to be deplorably shortsighted. To overcome the recession, consumption must rise; extra-Community export, which has been at a standstill for three years, must be resumed, and import policy must be closely bound to consumption policy. Certainly, it is also necessary to revise the policy of import flow so that it may be redistributed, if we want to be consistent with what we have long been saying in Parliament concerning preferences on favour of the developing and Mediterranean countries. How have imports been distributed in the last few years? In 1977, as you will remember, the developing countries were largely ignored in drawing up the Multifibre Arrangement.

**Filippi**

1977 presented a very disturbing picture of the distribution of imports: imports from Hong Kong, from Formosa, which is under the influence of American capital; imports from Korea, Singapore, from Indonesia, and again from Hong Kong, which to a certain extent is under the influence of Japanese capital; very few imports from the developing countries. Total imports from South-East Asia equal 60-70%, with no compensation of any kind; imports of 30-40% from the Eastern countries, still with no compensation. This, Mr Welsh, is why we firmly reject your attitude towards the Mediterranean and Lomé countries, from which we import only 4% and 1% respectively.

Commissioner Haferkamp will excuse me if I ask what this means. It means that no external industrial policy of the European Economic Community exists.

Parliament — Europe — should be capable of providing such a policy. This is why we have before us a unique opportunity which should not be wasted. I was greatly relieved this morning as I listened to Commissioner Davignon, whom courtesy obliged to defend certain senseless attitudes shown in Parliament. We are all aware of the demands of formal courtesy towards those who express opinions different from our own. This morning, Commissioner Davignon substantially contradicted what others had asserted elsewhere and sketched a programme tending in the direction opposite to that taken in the Welsh report. Mr President, ladies and gentlemen, European industrial policy must be rebalanced, and measures must be taken to prevent the multinationals in the textile sector from acting solely in their own interests.

An urgent examination of the problem of productive decentralization is necessary. Mr Seal spoke very aptly about outward processing traffic, which should be contained so that it may be included in a single import quota. It is necessary however for the calculations made on outward processing traffic to be precise. This need for containment is contradicted by the rapporteur when in Article 14 he adds the words 'or acquired' to the phrase 'demonstrate to have been produced in the Community'.

Are you aware of what the introduction of the world 'acquired' means? It means, in fact, that any possibility of controlling the rate of production increase or of making a continuous check on imports is denied to the workers in the textile industry; it means allowing the retail chains which you heeded, Mr Welsh, and the businessmen whom you partially heeded, to disturb the textile and clothing industry in Europe and therefore introduce a disruptive element which we oppose.

This report calls for many other comments, ladies and gentlemen. I reiterate my appreciation for the effort it represents, though certainly not for the results obtained. I felt it to be my duty to present a number of amendments, with the intention of enriching this debate and contributing to this report, which comes at

a very important time, a period of severe crisis in the European textile industry.

**IN THE CHAIR: MR FRIEDRICH***Vice-President*

**President.** — I call the European Democratic Group.

**Mr Stewart-Clark.** — Mr President, I should like to welcome Commissioners Davignon, Haferkamp and Narjes who have all been able to attend this important debate here today. I would also like to compliment my colleague, Michael Welsh, on the comprehensiveness and excellence of his report.

There can be few industries in the Community which have been harder hit than that of textiles. There have been frequent adjustments over the past 15 years to modernize the industry and to make it competitive with countries employing cheaper labour. I speak from personal experience, having reorganized a textile company in Holland at the end of the 1960s. Yet despite reorganization and restructuring, the current recession has seen a greater loss of jobs in the spinning, weaving and clothing industries than at any other period since the war. In the United Kingdom alone some 100 000 jobs have been lost in the past 18 months. This pattern has been repeated in France, Belgium and elsewhere in the Community. It is not surprising, therefore, that management and workers engaged in textiles have increasingly clamoured for more protection, since they see the risk of a substantial employer and a vital industry effectively disappearing. We cannot and will not allow our great textile industry to be so beset by difficulties as to risk its very future.

We must, therefore, ask the Commission to ensure that conditions are created which help the industry to further reorganize itself so as to improve its competitiveness. I welcome the statements made by Commissioner Davignon this morning and hope these will provide effective help to the industry. Research and development and retraining are two vital elements in ensuring the ongoing health of the industry and mitigating the effects of unemployment. But is this enough? There must surely be a coherent, comprehensive, strategic plan worked out for the textile industries in the Community and in this the Commission can play a vital role.

In the meantime, we wish to see no increase in import quotas and no easing of present restrictions on imports. None the less, we have to recognize that the

**Stewart-Clark**

ultimate aim of Community trading policy is to achieve a growth in world trade through the progressive reduction in world tariff barriers and the encouragement of free trade. To do this we have to accept that we must encourage trade with the developing countries and we must be prepared to encourage their development by trading with them in textiles, as in other goods, when they can produce the quality and the prices that we require.

It would be wrong and hypocritical to encourage developing countries on the one hand and to refuse to buy their products on the other. We, therefore, reject the demands of those who wish to see the Community retire within itself by refusing to trade with those emerging nations which need to develop their textile industries.

We wish to see a sense of realism and restraint also taking place amongst our more prosperous trading partners. We ask the Commission to bring particular pressure to bear on the United States of America to trade increasingly with the developing nations. We must also see that those newly industrialized countries who have achieved new-found wealth, should show considerable restraint in their exports to the Community. The time has come for those other developed countries of the world, including the United States, Japan and Australia, to take a greater share of the low-cost imports of developing countries by reducing their tariffs. They must see that the textile workers of the Community cannot bear the full brunt of industrial adjustment unaided.

In supporting this resolution, my Group recognizes the difficult negotiations which face Vice-President Haferkamp and the Commission. The Multifibre Arrangement is one of the most developed elements in our Community common commercial policy. If skillfully handled it can set a pattern for future trade development, for the problems of textiles today will most surely be the problems of other industries tomorrow. We, therefore, counsel a full recognition of the difficulties facing the textile industry, a thorough negotiating stance with our fellow developed nations and with newly industrialized countries, but encouragement to those poorer countries upon whom the future growth of world trade will largely depend and whose industry is in its infancy. We wish the Commission well in its negotiations and we beg to support this motion.

**President.** — I call the Communist and Allies Group.

**Mr Frischmann.** — (*FR*) Mr President, the crisis in the textile industry has become even more acute, particularly in France, where 200 000 jobs have been lost in the last 10 years. In 1980 alone, over 5% of the 600 000 workers in this sector lost their jobs and output fell by 4.5% in textiles and by 10% in

clothing. And the prospects are even gloomier — according to the experts, clothing industry employers anticipate that they will have shed between 100 000 and 250 000 jobs by 1984.

What are the causes, who is to blame? Here in this House the finger is pointed at the developing countries or at the workers in this industry. Well, let us look at the facts. Today France imports half the textile products it needs. That is true, we deplore it, we condemn it, but where does it buy them from? Not primarily from the developing countries which are trying to establish a new industry. France is satisfying 67% of its needs from within the European Community, from West Germany in particular, and only 15% from the developing countries. France's main supplier in the Community is West Germany, and outside the Community the United States, which have in fact doubled their exports to the Community. It must be added that of the 15% coming from the developing countries very little accrues to these countries themselves, most of the rewards being reaped by the multinational concerns, which are feathering their nests as a result of paying poverty wages and a total lack of social legislation.

It has to be said that the French multinationals are in a very strong position in this massive redeployment of capital, which requires enormous financial resources, and that is where the bulk of their profits goes. A survey by Crédit National found, moreover, that 'the improvement in the return on investments in 1979 was in general probably most significant in the case of the very largest concerns'. However, the same survey also observed that the trend in investments has suffered a substantial decline. The level of investment has effectively fallen from an index of 105 in 1972 to 55 in 1979; that is a spectacular fall reflecting the deliberate decision to sacrifice the textile industry in France and move it elsewhere, ostensibly because the industry is uncompetitive, something we have heard repeated in this House and to which Mr Cheysson referred in the following terms: 'The textile industry can only be competitive in the developed countries if wages are frozen'. And yet wage costs are higher for France's main suppliers, 36% higher in the case of West Germany, for example.

The textile industry has the lowest rates of pay of any sector, wages being on average 25% below those in other jobs, and the loss of purchasing power since 1973 is almost 18%. The vast majority of the men and women employed in the textile industry are semi-skilled or unskilled, whereas using modern technology it should be possible to improve working conditions by doing away with repetitive jobs, the frightful monotony, the noise and other nuisances to which these workers are subjected, particularly the women, who are exploited even more and in addition have to suffer the vulgarities and indignities inflicted on them. But the only prospect for these men and women is a further deterioration in the conditions of work and a

**Frischmann**

reduction in earnings. They are even suggesting introducing night-shifts and week-end work. Now, the crisis in the textile industry has been brought about by the austerity policies implemented by each of the Member States, with the Commission's active encouragement. As their real earnings have fallen, workers have had to cut down on their purchases of clothing and textiles. It was all too easy to foresee.

And so it is not at all surprising that the textile industry is in such a disastrous state. It is indeed the result of a policy, the consequence of a deliberate decision, and this is why, incidentally, the same causes together with their inevitable effects — the very same causes and effects that are at the root of the present situation — hold out the prospect of an even gloomier future. This policy, these decisions, are what unite the textile giants and the governments of the Ten. These decisions have also been quite plainly endorsed in this Parliament. There is in fact a majority view among the Right and the Social Democrats in favour of pressing for restructuring plans that could have a devastating effect on employment and on the economic potential of our country. This is typified by our Socialist colleague Mr Delors, when he calls for a more vigorous stimulus, an overall strategic plan for the European textile industry, just as was recently urged for the automotive industry, for the coal industry, for the steel industry, for shipbuilding, and so on. Well, let us not mince words; what this means is more redeployment, because it is this European policy, adopted and implemented with particular fervour by the French Government, that is the cause of the present situation.

Quite another way has therefore to be found, and I can do no better than refer to the resolution tabled by Gustave Ansart. The solution to the crisis in the textile industry calls first and foremost for national measures to boost consumption and output of textiles, which presupposes an end to the policy of austerity, raising the wages of the low-paid and putting a stop to any redeployment that has already begun. It is possible to create thousands of new jobs in the textile industry, to build a great modern industry that is nationally based but receptive to the idea of cooperation on the basis of mutual interest. For the immediate future, it will also be necessary to take any protectionist measures that may be required, and obviously this applies not only to Community frontiers but primarily to national frontiers. This, at any rate, is what the men and women working in the industry and the inhabitants of the regions most closely involved in it earnestly want.

**President.** — I call the Liberal and Democratic Group.

**Mr Delorozoy.** — (FR) Mr President, if today's debate on the problems of the European textile industry is important — although I seem to detect a certain lack of interest on the part of the Members of this Parliament and the departments of the

Community institutions concerned — it is because, as several speakers have already pointed out, the Multifibre Arrangement that expires at the end of this year has proved incapable of resolving the problems of adapting the textile and clothing industry or of properly regulating trade between Member States of the European Economic Community and other countries. The mechanisms have not worked satisfactorily because the application of the safeguard clause in the bilateral agreements has been too lax, and also because — and here I am in agreement with Mr Davignon — of a lack of cooperation, once again, between some of our governments, which consider it to be in their interest to close their eyes to infringements of Community legislation committed in their countries and to the unfair competition engendered by such practices.

You may have read in the press, as I have, the report according to which the Commission has found no evidence 'of any violations of the Treaty of Rome or of any instances of unfair competition' in the case of the exports to France of pullovers from a neighbouring country, even though everyone knows about the fraud and legal proceedings are to be taken in connection with 96 infringements uncovered by the French authorities in respect of false indication of origin. It is high time there was a change in attitude. This policy has resulted — as the industrial production statistics for textiles and clothing clearly show — in the gradual collapse of the industrial potential of undertakings in the textile sector through unfair competition on the Community textile market. Faced with growing problems, these industries are unable to cope with the need to readjust as they must if they are ever to overcome their difficulties and if we are to see a full return, as of course we hopefully shall, to free competition. But what about the 4 500 undertakings that have disappeared with a loss of over 700 000 jobs? The others, the ones that are just holding their own or that are expanding, and fortunately there are still some that are, are very worried by the apathy of the Community authorities and by the lack of any vigorous strategy. They are having doubts about the scope and effectiveness of a third Multifibre Arrangement unless it conforms more closely to the realities of European industry. I will not embark on a technical disquisition on the rather complicated machinery to be used to arrive at a third arrangement that is more compatible with a commercial policy of trade with third countries and with the need to impose, during a transitional period, certain essential protective measures. We think the Commission should work out a new strategy and consult with Parliament on the negotiating mandate for a new Multifibre Arrangement and we are delighted to hear Mr Davignon say that a draft should be available before the summer recess.

But the Commission must not, in our view, wait until 1982 and the signing of a new Multifibre Arrangement before taking suitable measures, measures that are urgent and imperative, such as the harmonization of

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import procedures, an immediate review of the product categories concerned, an adjustment of the import quotas, and a review of the quota allocation system. It is also vital that something be done to improve surveillance procedures to assist in the detection of frauds, which apparently will have to wait until the Commission's proposed directive on the approximation of the laws of the Member States on the indication of origin has been adopted. This proposed directive is dealt with in a report by Mr von Wogau, who is well known to us for his invariably conscientious approach to his work. But I wish to draw Parliament's attention to the heavy responsibility it would have to bear if it adopted this unacceptable report, which rejects the Commission's proposal on the false premise that indication of origin would constitute a technical barrier to trade, a matter that would have to be referred for a decision to the Court of Justice and would, given the length of time such procedures take, involve a delay that cannot be reconciled with the urgency of the necessary measures. It is imperative that we have a compulsory and uniform system for the indication of origin in order to harmonize labelling in the overall interests of the Community and of consumers. There will never be a Community policy in this area, or in any other area, unless we give our full backing to realistic resolutions that rise above individual or national interests and unless we display a kind of European civic duty. By voting against the von Wogau report you will be taking a step in the right direction.

In conclusion, I should like to say that the most important thing is to encourage and aid restructuring in the textile industry to make it competitive. This industry, like other industries, is undergoing a process of profound reassessment and structural change. A new Multifibre Arrangement is a necessary part of this process, but it must be one of the instruments of its new-found vitality — a lifeline, if you will, rather than a hangman's noose.

**President.** — I call the Group of the European Progressive Democrats.

**Mr de la Malène.** — (*FR*) Mr President, having dealt with the iron and steel industry, having dealt with the automotive industry, we are now turning our thoughts to one of the Community's other major industrial sectors which is experiencing very severe problems, as it has done in the past and will continue to do in the future. I am a little sorry that it should have taken us so long to come round to considering the situation in the textile industry as a whole, leaving aside the purely commercial problems that are covered by the reports.

Let me review the situation in the textile industry: I have already been preceded in this by the rapporteurs and by those who spoke before me, so I will not take too much time over it. Everyone is aware of the

tremendous efforts the textile industry has made over the past ten years to modernize itself, to raise its productivity, to increase its level of investments. Everyone is also aware of the importance of the textile industry for employment in the Community: 9.5% of all jobs in industry, 8% of the gross domestic product. Another factor in the situation is the jobs lost over the years. You have already been given the figures. However, this industry still employs 2.5 million people in the Community and it is time, high time, if we want to safeguard these 2.5 million jobs, that we did something about it, and the sooner the better.

What are the main causes behind the disappearance of jobs in the textile industry that everyone has referred to? Without doubt one could make the point, in the first place, that whilst the 1977 trade agreements were successful in checking the increase in the volume of imports, the rate of increase was still considerably greater than the rate of growth in domestic consumption. The rate of penetration of the domestic market by products of non-European origin rose from 18% in 1973 to 36% in 1979. Another cause is that the tight protective measures afforded to the vast majority of the markets of other countries has prevented normal growth of European exports. A third cause is the extraordinary disparity in wage costs. Taking the figure for the United States as 100, the hourly wage costs are only 5 in Thailand, 10 in India, 13 in Morocco, whereas they rise to 77 in Spain, 80 in Ireland, 90 in the United Kingdom, 135 in France, 143 in Denmark and Italy, 167 in Germany, 183 in the Netherlands and 186 in Belgium. So we have hourly wage costs varying between 5 and 186! A fourth cause is the excessive preferences accorded to certain countries, notably the Mediterranean countries, which have distorted the protection schemes introduced in 1977.

I shall not go into the outward processing traffic, suffice it to say that it has reached such proportions as to completely distort competition between European firms. Finally, the last point, over the last two years there has been an unprecedented American offensive on the European market. Why? There has never been a voluntary-restraint agreement with the United States of the kind concluded with other countries. The United States have taken advantage of this to boost their exports to Europe — by 70% in 1979, for example — thereby triggering the all too familiar crisis in the European man-made fibres industry, which is dependent on the chemical industry. As a result this sector has lost a great number of jobs.

These are a few of the main causes to which everyone has referred in his individual assessment of the situation. The question is, what can we do? What must we do? Firstly, immediate protective measures must be taken to check the rapidly deteriorating state of the textile industry and, secondly, a European policy on textiles must be laid down as quickly as possible by the Ten at the highest level, for our action must be a joint action. This European action, which is not intended to

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replace but to be the precursor of national programmes, must as we see it concentrate on the following aspects: Firstly, we must bring the growth in imports into line with the level of domestic demand. Secondly, we have to enter into immediate negotiations with the United States to persuade them in the first place to restrict their exports of fibres and textiles, and then to lower their tariff barriers in the textile and clothing sectors in respect of our own exports and those of other countries, particularly the poorest ones. Finally, and this is the essential aspect of this new policy, renegotiate the Multifibre Arrangement on new terms laid down in the Council's mandate.

What kind of new terms should we be thinking of? Firstly, they should take into account the foreseeable trend in domestic consumption within the Community and each of the Member States. Secondly, they should secure fair access to the markets of third countries, both industrial and developing. Thirdly, they should take into consideration the price, and not just the quota as hitherto, of the imported products in relation to that of European products, so as to put a stop to the 'social dumping' practised by some countries. Fourthly, they should take account of the need to maintain the present pattern of international trade and to encourage exporting countries, in particular the ACP countries of the Lomé Convention, which are among the poorest. Fifthly, they should take into account the need to provide finance, through a European programme implemented in conjunction with national programmes, for the restructuring and modernization of the European industry, especially where such industrial conversion affects jobs and demands vocational training and investment in alternative industrial activity. We believe that we could finance these measures and bring imports down to levels compatible with domestic consumption by imposing a temporary tax on all imported products — fibres, textiles as such, and clothing — the system of quotas and allocations being then used simply to distribute the patterns of imports between third countries. This tax would form part of the Community's own resources and would have to be allocated exclusively for financing the new European textile policy. Finally, we have to take into account the need to maintain strict control over the outward processing traffic and penalize the numerous frauds uncovered.

Those, then, are the broad principles that have been guiding our group's discussions and the measures that we recommend. Accordingly, we accept most of the proposals contained in the motion for a resolution but we want to take them a stage further, sooner and further, especially as regards laying down a proper common policy in the textile sector and as regards the setting up of *ad hoc* financing for this policy. All the amendments put down by our group are along these lines. I trust that the House will give them its support.

**President.** — I call the Group for the Technical Coordination and Defense of Independant Groups and Members.

**Mrs Castellina.** — (IT) Mr President, this discussion on the renewal of the Multifibre Arrangement could have been the occasion for Parliament to make a more general and more concrete study of certain topics which in this Chamber are too often the pretext for empty words. The North-South Dialogue is one such topic; a truly common economic policy for the Community, internally and externally, is another. The Welsh report, however, does not permit us to face up to these problems seriously. It encourages instead the persistence of the belief that the Multifibre Arrangement, such as it is, suffices to define a Community policy in this area, which is in fact something quite different: there is no Community policy, and the report does not solve the problems now facing us.

Furthermore, the Welsh report does not explain the real dangers to the European textile industry nor does it pinpoint their source: not the poor developing countries but the United States, protectionist towards its own products and increasingly aggressive in external markets. The U.S. has the advantage not only of more advanced technology but also of non-unionized, unprotected manpower in the southern states, working at almost Asiatic costs, with salaries lower than those in Italy, as American unions themselves confirm. Perhaps we could apply a social clause in this regard.

It should not be forgotten that, among the imports from the developing countries, those which undermine European production are from three specific sources: Singapore, South Korea, and Hong Kong, which in combination enjoy 75% of Community import quotas. We all know that these countries are the privileged locations for multinational firms.

All these problems are suppressed in the Welsh report, with the evident intention of demonstrating that there is an irremediable conflict of interests between the employers and workers of the North and those of the Third World and that therefore one can only manoeuvre with half-measures within this contradiction. This is not the case. Contradictions certainly do exist, and they are complex, but to resolve them it would suffice to adopt decisive measures to strike at the threat not to capital — which goes where it wills — but to the textile workers, who cannot go elsewhere. Above all, one cannot deal as Mr Welsh has done with the question of the recession. It is indeed necessary to revise the percentage — now 6% — for imports from Third World countries, but this should be done with a view to aiding the developing countries and closing off the places of refuge for western capital. No longer 6%, then — because in the present recession this would be tantamount to a complete liberalization impossible today — but a differentiated revision, without involving the Lomé countries, which

**Castellina**

export to the Community only a ridiculously small percentage of textile production.

Secondly, it is necessary to formulate a common European policy towards the United States, accepting Gilles Martinet's proposal. It is extraordinary that Mr Welsh allowed himself to be satisfied by the fact that American customs tariffs for European exports have been reduced. These tariffs are still very high for products coming from the developing countries whose only remaining outlet is Europe.

Third, the oft-mentioned regulation concerning outward processing traffic must be applied without delay: certainly not a regulation following Mr Welsh's suggestions, which favour big business, but rather a regulation which can succeed in preventing the multinationals from by-passing the rules for imports. Instead of moving against the needs of the developing countries, we should move against the interests of businesses which transfer their production to Asia to escape pressures from the unions.

There exists, however, a more general political problem. If we want to avoid savage protectionist reactions or savage competition, if we want to defend our employment levels and support development in the Third World, then, beyond these particular measures, it is ultimately necessary to call for a new global agreement to determine a new international division of labour, inside and outside of the Community, in relation to the countries of the Third World. This global agreement, the essence of the North-South relationship, is what the Third World is asking for and what the North has always refused. We can see from this debate how important it is to move in this direction in order to put the North-South Dialogue on a concrete basis and to attain a higher degree of solidarity between the European working class and the Third World. This, Mr Frischmann, is a little more complicated than it seems if we only take a protectionist line. It remains to be seen how protectionism will fit into an agreement which takes the interests of Third World countries into account.

**President.** — I call Mr Petronio.

**Mr Petronio.** — *(IT)* Mr President, as it does for all other products, GATT also recognizes the need in the textile sector for a gradual development of imports which would prevent the disorganization of the market and be compatible with the serious economic and social problems in this sector, both in the importing and in the exporting countries.

While in the developing countries an effort must be made to avoid pushing an already dangerously polarized industrialization further towards an exclusive reliance on the textile sector, in the industrialized countries and in particular in the EEC further increases in

unemployment and in the balance-of-payments deficit must be prevented, for in the Community textile sector deficit is estimated at around 7 billion lire for 1980, and the rate of decline in employment over the last few years has been about 200 000 jobs a year, as Mr Filippi has already mentioned.

We cannot therefore support the Welsh report, which examines the sector in a manner peculiar to itself and not — as Mr Filippi and Mrs Castellina have already said — from the viewpoint of a European Community social and industrial policy. Of the Italian textile and clothing industry it can be said that it is a large-scale employer with around 1 200 000 workers, 70% of them women, and it possesses a clear international orientation: 30% of production is exported, and has a current positive trade balance of 4.5 billion.

The Italian right, therefore, shares the open approach adopted by the Community in regard to international trade, but laments the fact that there is no reciprocity on textile trade on the part of the other countries concerned, whether they are industrialized, like the USA and Canada, or whether they are in a relatively advanced stage of development.

In fact, if one considers the effective evolution of trade in the textile sector over the last few years, one can see that the Community's position in respect to the extra-Community countries has been seriously weakened. Not only has the much-talked-about penetration rate for textile imports increased in the EEC from 30% to 40-41% between 1977 and the present, but also European industry has been unable to find adequate compensation through exports.

In this situation, and until real freedom of trade on the international level and a full reciprocity of nationally-imposed conditions on textile trade are achieved, the Multifibre Arrangement must continue to exercise its regulatory function. Upon the renewal of the contract, the EEC should make a more serious effort in the negotiations with its two other major industrial partners, the USA and Japan, examining trade between the three blocs and not only that with the developing countries, and formally requesting action on the severest problems. This means calling for a real reciprocity of conditions in respect to the USA, for example: the reduction of protectionist tariffs, which are much higher than Community ones, and the elimination of the non-comparative advantages due to underpricing of oil and gas.

The Multifibre Arrangement, as renewed at the end of 1981, should permit a closer regulation of imports in accordance with the new conditions and the stricter rules now existing in respect to its original formulation, which has been in force since 1973. In particular, the Community will have to continue to establish an overall maximum level for each of the sensitive products and for all imports originating in low-cost supplying countries in the context of a forecast as to

**Petronio**

the entire amount per product imported by each non-Community country. The annual increments of such ceilings should be correlated to the increase in consumption so as to stabilize the penetration rates of imports in accordance with the sector policy established by the Council of Ministers in 1977.

As for the United States, a general understanding should be firmly pursued among the industrialized countries, and in particular between the USA and the EEC, so as to obtain a fair distribution of imports from low-wage countries and a balanced development of textile trade between the two regions. In particular, it must be borne in mind that EEC sources concede, although unofficially, that the USA has occasionally resorted to dumping practices in regard to the EEC. It is also true that in Europe there is a production over-capacity, but it must be remembered that, as in the case of steel, the USA is more advantageously placed because of its lower prices for oil and natural gas, which result in lower prices for ethylene, a major component of fibres.

We are told that everything depends on President Reagan's willingness to solve the problem of the disparity in oil prices in 1981 at the latest, or at least to take action to hasten its solution. The same can be said for the solution of the problem of the lower cost of natural gas. The desired regulations will gradually be put into effect by 1985, unless there is opposition from the Congress. From this perspective, then, we are waiting upon events in the US Congress.

At present, however, we must deplore Mr Welsh's report for its failings, for its lack of a global vision of social and industrial problems, and for its complacent tendency to listen only to the large retail chains.

**President.** — I call Mr Vernimmen.

**Mr Vernimmen.** — (NL) Mr President, ladies and gentlemen, I will try to be as brief as possible because so much has already been said and there is no need for repetition. In the 60s and 70s it was suggested by various quarters that the dismantling of the textile and clothing industry was the only real solution if the Third World was to develop. According to certain authorities, this sector should be transferred to the developing countries. Its products would then have unhindered access to the Western markets. The West would thus have made its contribution to the solution of the development problem. This mad idea is not only cherished by certain professors but has, I believe, become current even in certain services of the Commission. It is high time, in my opinion, to call a halt to this and similar views.

What, after all, is at stake? While the European Community has millions of unemployed and there is no immediate prospect of any real improvement, while

the Member States of the Community have to contend with serious balance-of-payment deficits, while we have a greater need than ever before for new industrial developments in the Community to assure our young people of a future, the Community is confronted with the renewal of the Multifibre Arrangement.

And what do we find yet again? The workers in the European textile and clothing industry are again in danger of being asked to foot the bill. It is obviously not enough that tens of thousands of jobs have been lost in the European textile and clothing industry in recent years. The workers in this sector already have to put up with working at a very high speed. The introduction of microelectronics and other new technologies is also beginning to be an additional threat to employment in this key sector.

As if all this was not enough, the idea is again being mooted of making trade policy concessions which might well be the last straw for what is in my opinion a vital sector. But be warned. The workers of the European textile and clothing industry have reached the end of their patience, and I should like to emphasize that this is a sector in which in most European countries the trade-union movement can be held up as an example. The European textile workers refuse to be pushed around any more for the sake of the European Community's liberal image, of a number of multinationals and of a badly formulated development policy. They call on the Commission to negotiate a new Multifibre Arrangement in which not only employment in the European textile industry is protected, but it is also guaranteed the margin for expansion it sorely needs.

On 2 December 1980 the European textile workers took action to defend their legitimate interests. The Commission would do well to make very sure it informs and consults the European textile workers. Otherwise there is a danger that the social climate in this sector and the political climate in the Community will be seriously disturbed. A Community which can only offer its own workers unemployment as a result of the policy it pursues can hardly expect to enjoy the confidence of those workers. In this specific case, we reject both a liberal approach and what is really outdated protectionism. We want to see a third course adopted, that of common sense, with, above all, protection of employment in the Community and also the assurance of real opportunities for development in the genuine developing countries, but under acceptable and social conditions.

We must put an end to the uncontrolled increase in the imports of cheap textiles, often produced with the help of Western capital in countries where child labour is still very common, where minimum social standards and trade-union rights are trampled underfoot and where maximum profit in the shortest possible time is all that keeps the production process going.

## Vernimmen

We therefore expect the Commission to take the following practical action:

It must negotiate a new Multifibre Arrangement based on the target of safeguarding employment in the Community and offering the real developing countries a quantitatively and qualitatively genuine opportunity to develop. This means that the arrangement must not only contain agreements on import volumes but also include a social clause guaranteeing the workers concerned minimum social standards and trade-union rights.

Secondly, this time the arrangement must also provide a water-tight guarantee that the agreed maximum increases in imports are actually respected. And here I am referring in particular to the clothing industry. We find that the import system often affects the interests of people who have no more than a table and four chairs to produce their goods. Would it not be better for these imports to be linked to the interests of those in the Member States who are concerned with a certain type of production and so provide a better opportunity of survival?

Thirdly, the Commission should not only be regularly informing and consulting the trade-union committee on textiles, clothing and leather goods, which represents all European textile and clothing workers, on progress in the negotiations, as it already does. It must also ensure that this European trade-union committee has some say in the final decision. I must admit that Mr Welsh's report largely reflects these legitimate complaints. I can only hope that the few amendments the Socialist Group has tabled will be adopted. There will then be nothing to prevent me personally from approving the report.

**President.** — I call Mr van Aerssen.

**Mr van Aerssen.** — *(DE)* Mr President, ladies and gentlemen, I should like to thank Mr Welsh once again for insisting with the utmost vigour in recent months that this report should be put before the House in good time. We have thus made a further contribution to the improvement of the institutional means available to us. We said very briefly this morning that the framework of important negotiations must be defined with the Commission in good time, in other words before they begin. In the past we have always panted along behind after negotiations have already been completed, thus having, as a Parliament, no means of influencing them. Mr Welsh's report will now make it possible for us to exercise such influence: that is the first positive aspect. Of course, it also entails a risk for Parliament, because we are forced to define our positions accurately. But this will also strengthen Parliament, because parliamentary debates — as today's has shown — reveal the different points of view, and this makes it easier for the Commission to conduct negotiations.

The second important point, Mr President, is that in this debate we will reach the conclusion that confrontation with our negotiating partners must be avoided. The renewal of the Multifibre Arrangement along the lines proposed by Mr Welsh, that is, with the approval of the Committee on External Economic Relations, will result in there ultimately being cooperation rather than confrontation. This will probably prevent the protectionism race. That is the second positive outcome of this report and of our debate and it will undoubtedly make the negotiations easier for the Commission.

Mr President, on behalf of many members of my Group I should like to say to the Commission once again that we still feel the basis of all action must be a market-economy-oriented trade policy, as laid down in GATT. All I can say to you is: 'Stick to your guns.' The Multifibre Arrangement is not, in our view, a permanent fixture. It is an exceptional arrangement, a foreign body based on GATT. But we will tolerate this foreign body, this exceptional situation for the time being because we advocate an international social market economy to prevent all those things that have rightly been mentioned by Members here, to prevent hardship or to ensure that in areas where there is no alternative to the textile industry the necessary time for adjustment is allowed. The conclusion I therefore draw is, once again, that this textile agreement must not be a permanent fixture, as Mr Welsh has very rightly said in his report.

A further aspect that is important for us is that the world textile agreement must give us the necessary breathing space, as Mr Davignon has already said this morning. Mr Stewart-Clark also referred to this, and I do not therefore need to dwell on it. We want gradual adjustment of our textile industry to present circumstances and to the challenges we face.

Furthermore, Mr Haferkamp, you may rest assured that we do not regard the Multifibre Arrangement as a Trojan horse for introducing new protectionistic measures. We shall make very sure that this Trojan horse is not made ready for use during the negotiations, and we shall also be observing these negotiations, not just the beginning: we shall continue the dialogue with you with great interest.

What we need — and here we can but endorse what the Commission has to say — is a forward-looking strategy for our textile industry. This must begin with encouragement of innovation. But this also means — as Mr Filippi has rightly said — your calling on the national governments to make appropriate arrangements to create new jobs in the weak regions where there is at present no alternative, so as to facilitate this restructuring process. This forward-looking strategy should also, in my view, permit the continuation of outward processing, because this represents a possible alternative for our industry.

van Aerssen

As Mr Davignon has said — and I very much welcome this — efforts are now being made to find the basis for an agreement between the national governments and the Commission. If today's debate can exert any pressure in this respect, we have already achieved a great deal for the Community. I must emphasize once again that it is the duty of this Parliament to tell the national governments that the Commission shares the responsibility with Parliament for this matter and that it is not right that the national governments should want to solve this problem on their own.

Of course, measures designed for specific areas will not be enough. The Welsh report gives, I feel, a very balanced description of the strategy that should be adopted. I thank our colleague from the Socialist Group for his fundamental agreement in this respect. It shows that there is obviously a general consensus in this House when it comes to finding a balanced course between protectionism and the danger of a flood of cheap products.

In this we should, in my opinion, adopt the following guidelines. Firstly, there must be a fair balance of interests. This means that the Commission must be in permanent contact with trade unions, employers and consumers' associations in order gradually to put an end to this exceptional situation. This balance of interests must form part of a Commission strategy. I believe this will have your support, Mr Commissioner.

Secondly, we must be guided by the principle of differentiation. Strong supplier countries must be separated from the weak. We must talk to the strong countries about their willingness to conclude self-restraint agreements. But in this connection there is one thing we must not overlook, Mr Haferkamp: the threshold countries are the biggest customers for our exports. I would therefore — cautiously — question the strong words that have been uttered here in some cases against Taiwan, South Korea, Singapore and other newcomers, because they are among our industry's strongest trading partners.

Thirdly, we must prevent imports that enter the Community other than by the accepted routes. The Commission should make its negotiating position very clear and announce — perhaps not threaten, but at least make it perfectly clear — that we are not prepared to put up with this kind of thing and that we shall strengthen our legislation on controls.

Finally, Mr Commissioner, I would ask you to urge that the recommendations of the GATT textile supervisory committee become binding or at least that they be applied more strictly than has been the case in the past. Consideration might also be given, I feel, to the automatic issue of import licences to replace the present cumbersome procedure.

To summarize, I should like to say that we should abide by Article 1 of the Multifibre Arrangement,

which is based on three objectives: the removal of obstacles to trade, the progressive liberalization of world trade in textiles and the promotion of the economic development of developing countries and an improvement of their export earnings. If we bear these three objectives in mind and jointly adopt this course in the dialogue on the basis of the Welsh report, we shall, I believe, have achieved a great deal.

*(Applause)*

**President.** — I call Mr Beazley.

**Mr Beazley.** — Mr President, I have submitted a resolution to close the debate on the oral question on which Mr Seal has spoken, but as that question has not appeared on the order paper my resolution, I understand, has not been circulated. Nevertheless, while welcoming the proposal to renegotiate the Multifibre Arrangement, I, like Mr Seal, wish to speak on the broader context of the textile industry.

One of the major challenges which faces our society today is how it can adjust its traditional industries to changes forced upon them by new conditions existing in the outside world. This challenge lies at the basis of the Community's competition policy and it is the implication of the GATT system. No industry is more dependent on trading than the textiles and clothing industry and the European Community is by far the world's largest trader. It must be recognized therefore that trading is a reciprocal business. So no-one doubts the need for change and few would doubt the need for the development of a really viable, modern, European synthetic fibre textile and clothing industry.

Furthermore, the textile industry is very used to change and very tolerant of change. Its management and its workforce are probably unique in this respect. That is why the textile industry accepts the need for its reorganization, why it understands that it must accept that the underdeveloped world should have appropriate and controlled access to its market, even at a time when its very existence is threatened by the energy crisis as never before. But it must have change under appropriate conditions and sections of the basically national European industry must have help in adjusting to the European context and the new world scene. We cannot but welcome what Commissioner Davignon has said and I must add that he has taken our breath away. Let us hope that he can deliver the goods. He will certainly get our support with regard to the Council of Ministers.

In the past there was a strong tendency amongst Member States' governments and the European Commission to take for granted the essential role which industry, commerce and banking played in providing the wealth-creation basis on which our society has rested in the past and will rest in the future.

**Beazley**

Today our industry is threatened on the one hand by the low labour costs of developing countries, combined in many instances with modern technology, and on the other by the high technology and great efficiency of Japan and the USA. But let us not imagine that Europe does not need a synthetic fibre, a textile and a clothing industry. Let us not imagine that wealth and employment in Europe can be created solely by brand new high-technology industries and that synthetic fibres, textiles and clothing can be left to Japan, the USA and the developing world.

We are pleased that Commissioner Davignon has recognized this so clearly. For our part we recognize the need for the European Communities to maintain an up-to-date and efficient textile and clothing industry competitive in price and quality, in technical performance and design capability, market-orientated and reconstructed to meet the current European and world needs.

On the other hand the demise of the European textile industry would be a loss in quality and design capability, fashion sense and technology which the USA, Japan and the developing world could not replace. To achieve this reconstruction the industry needs not only reorganization but investment. This implies that it requires, more than anything else, security and continuity. Hence it is essential, in recognizing the interdependence of the Third World and Europe and thereby providing access to the Community's markets for the Third World countries, that this be done under secure and controlled conditions and within the capacity of the European market to absorb such imports at levels and under conditions appropriate to orderly marketing.

Meanwhile, however, this House must regret that the Council of Ministers failed to support in the 1981 budget those measures proposed to provide for the continuation of the second stage of the indirect textile research and development programme, budget item 3722, as well as comparable assistance proposed for the clothing industry. After this adverse decision the House will have been amazed at what Commissioner Davignon had to say to us today and I call upon Commissioner Davignon and the Commission therefore to reconsider these programmes and to advise this House how they can still be implemented.

Mr President, the European textile industry and clothing industry does not need cossetting. It has been developed by tough and resilient people with good management and an excellent workforce. It understands the needs of society and the part which technology must play in adjusting the European textile and clothing industries to the demands of today. Therefore in conclusion, whilst awaiting the detailed proposals of Commissioner Davignon which his speech foresaw today, I call on the Commission to make specific proposals to provide the minimum assistance proposed in the 1981 budget.

**President.** — I call Mr Bonaccini.

**Mr Bonaccini (II)** — Mr President, ladies and gentlemen, our political party has repeatedly stressed that, in the present crisis in world economy, the question of the redistribution of job opportunities in the world takes on decisive importance. It is for this reason that we emphasize the necessity of developing economic strategies and operational programmes which in the perspective of this and other priorities would allow Europe, economically and politically, to play a leading role in progress and development.

I cannot deny that there have been shifts of power, sometimes considerable, toward other parts of the world (we have recently discussed this in the Assembly), but they have been the result of a progressive and sometimes rapid decline in Europe, a decline in its ability to compete on the international markets, and of its failure to choose an adequate response. The motion for a resolution we are now debating examines just such a case. Solicited by various legitimate requests for information on the upcoming MFA negotiations, it has had to deal with problems which involve the entire textile and clothing sector, a sector which, by virtue of the number of its employees, is still in second position in the Community industrial structure, and which has lost over 700 000 jobs in the last seven years.

The consequences of this redistribution of job opportunities can only throw a disproportionate burden on Europe. It must be remembered that this was the essential reason for the extension of the MFA and of its reasonable and temporary departure from the international rule. In reality, the burdens of imports from developing countries have not been redistributed, nor have the compensations of the advantages of Community exports. The penetration of the USA and Japan does not exceed half and one third respectively of Community penetration, while the USA at the same time, and with commercially questionable means, has increased its presence on the European markets in such a way as to appear almost destructive in some sectors, as in that of artificial fibres.

The problem of a fairer distribution of burdens with the two other great commercial regions — a problem recently mentioned by Commissioner Davignon — thus retains all of its dramatic importance, and not only in the sector we are now discussing.

This situation would at least be tolerable, however, if we knew that it was to the advantage of the poorest countries which are most closely bound to artisanal production. This is far from being the case. The ACP have a ridiculous quota of participation. The near-totality of exports is monopolized by three countries, which are no longer very poor and which now possess a relatively high level of industrial development. Even better: the sector is monopolized by highly-industrial-

**Bonaccini**

ized countries and by the multinational organization of a wide market in which even the most elementary standards fixed in the international ILO guidelines are disregarded. I request Mr Spencer not to be so unconcerned in regard to these guidelines. An inquiry in progress in *Le Monde* tells us that by continuing in the manner the Community textile industry will produce another 2 million unemployed between now and 1985, with certain regions particularly affected.

This brings me to the second general consideration on the Welsh proposal. This proposal is approached from an exclusively mercantile viewpoint. Mr Welsh certainly does not present a proposal which satisfies everyone — on the contrary. It appears to me from the way the debate is going that this motion, approached with obvious procedural haste, amounts only to a careless and hasty token entry in paragraph 2 regarding industrial strategy in the Community. The document, moreover, makes no reference to the persistence of the process of de-industrialization in this sector.

Commissioner Haferkamp himself, before the Committee on External Economic Relations, on 10 March, recognized that the renewal of the MFA is not by itself sufficient to stimulate an organic industrial policy in the textile sector. An hour ago Commissioner Davignon was pointing out that it was necessary to have a general outline including the various aspects of the textile sector and what should be done in the future.

If we were to limit ourselves to the mercantile aspects alone, which are the subject of the Welsh report, we would succeed in drawing down upon the Community the resentment of the ACP and other poorer countries, the mistrust of the Mediterranean countries, the unfair US exports, the subterfuges of outward processing, the opportunism of multinationals, the degradation of industrial regions, and an army of new unemployed, specially women and young people. That is to say, we would succeed in putting together all the worst elements: the restriction of traffic, the unconsidered opening of European markets, and the future weakening of industry in the Community.

This is why we have fundamental reservations about this motion for a resolution. This proposal — despite the good intentions on Mr Welsh's part, which I appreciate — runs the risk of provoking undesirable reactions: that is, the strengthening of the forces which push for a mere protectionist response, which we totally reject as inadequate.

Some more specific observations on the motion itself: it would have been desirable, on the basis of past experience, to suggest an updating of the sensitivity ratings of the products; to be less vague concerning the relationship between internal consumption and import quotas; to affirm clearly that outward processing imports are an integral part of the overall

quotas; to extend the Multifibre Arrangement to linen products; to suggest a better use of the opportunities offered by the common market, in respect to which, we repeat, it certainly does not seem wise to create internal restrictions or to pursue a purely national viewpoint.

It seems impossible to put countries like Turkey and Yugoslavia on the same level — as is done in paragraph 12 — for political reasons already referred to on a number of occasions. On the contrary, we have here an opportunity to say clearly — as we once did with Greece — that no agreement favourable to Turkey will be negotiated and undersigned by the Community while the military dictatorship remains in power.

We hope that Parliament will not permit this proposal to become a model for reference, as Mr Welsh suggested in his report. We also hope that, if the document announced by the Commission arrives on time, the situation in this sector will be rapidly re-examined in a global fashion in the Committee on Economic and Monetary Affairs and the Committee on Social Affairs.

**President.** — I call Mrs Nielsen.

**Mrs Nielsen.** — (DK) Mr President, there are a number of comments which I should like to make in this important debate on the Multifibre Arrangement, where I very much appreciate the balance which the Committee on External Economic Relations has succeeded in striking between free trade and protectionism.

The position in Denmark is that our textile industry has been and still is traditionally situated in what we often refer to as regional development areas, such as central and western Jutland and parts of northern Jutland and Lolland-Falster. The level of unemployment in these areas and regions is higher than in most other parts of Denmark, and the textile industry has clearly helped to promote development and employment there. It has also made it possible for young people to stay in these areas who would otherwise have left to find work elsewhere, and regional development grants have enabled new businesses to be set up, thereby helping to ensure a more uniform pattern of economic development in Danish society. In addition, a dominant feature of the textile industry in Denmark, as in other countries, is the fact that women constitute the majority of the workforce.

This sector is highly labour-intensive, which means, of course, that it has recently encountered serious economic difficulties.

The textile and clothing industry is one of the largest industries in the Community, employing some 9% of the Community's total industrial workforce.

## Nielsen

Obviously, the problems of the textile and clothing industry would be solved to a large extent by devoting a greater proportion of capital to production, and thus also by reducing the number of staff. In the present situation, with unemployment in Denmark rising at an alarming rate, a fact due partly to the wholly inadequate industrial policy being pursued by the government, we must realize that it is extremely difficult to transfer labour from one sector of industry to another. That is why we in the Venstre and in the Liberal Group are in favour of renewing the Multifibre Arrangement. We believe that it will serve the interests both of the industry and of its employees if a further period is provided in which the necessary restructuring can be carried out. Let there be no doubt, however, that we cannot guarantee permanent protection against outside competition, and I must emphasize the fact that the results of the first two Multifibre Arrangements have not been entirely favourable in terms of the increased level of competition faced by the European textile industry throughout the world.

So now we can tell the parties involved that they are being given a further period of grace; I would like to point out, however, that the Liberal Group has secured the inclusion of a passage in the resolution which states that at the beginning of the 1990s we must insist on free trade being restored in the textile sector. We do not believe that it is the responsibility of the Commission or of the Community to work out an industrial strategy, or to draw up proposals on how European industry can be restructured and how the necessary rationalization can be carried out. We are convinced that these problems can best be solved by the managements of individual undertakings, because the solutions are bound to depend on the products which are being manufactured, the degree of competition faced, and the other factors which influence the market.

One of the main reasons why we, as Liberals, are liable to be sceptical about the Multifibre Arrangement in the first instance is that the question remains of who is actually going to pay for this agreement. Clearly, we are introducing a Multifibre Arrangement of this kind in order to maintain employment in the short term in a sector where we know that restructuring has to take place, whilst hoping that other industries will be able to absorb large numbers of workers. We must encourage these industries to make full use of new technology, and I would like to say to the Socialist speaker, who also mentioned the subject of technology, that we in the Liberal Group do not regard new technology and the advent of microprocessors as something which is bringing the world to rack and ruin, nor do we see this happening in the Community. On the contrary, we believe that it is impossible to halt a process which is already under way, and that we should take up the challenges which it presents. In our view, new technology and microprocessors offer us a number of important challenges, and it is up to us to accept these challenges and to make use of them so that we really do create new and better jobs, which

will release from tiring and laborious tasks those who for centuries have toiled at work from which they can now be set free.

I completely agree with Mr Davignon, who pointed out that social considerations are a key factor in this context. Training schemes must be adapted and made more flexible, so that our workers are better equipped to meet these new challenges.

But let us return to the question of who is going to foot the bill for the time being. As far as this agreement is concerned, we are well aware that during the period which we Liberals are prepared to give our industries and their workers to allow them to restructure, it is the consumers who will have to pay. Under the quota system which operates in the Community, textile goods which are produced at a substantially lower cost in third countries, and which consumers would otherwise be able to buy at lower prices, can only be obtained to a limited extent at present; consumers are thus forced to buy goods at prices which, for most of the goods involved, are higher than they would have been without such an agreement.

However, I am convinced that consumers are prepared to play their part in shouldering this burden — if one can call it such — in a situation where we must show solidarity, where we must pay special regard to our industries and help them through the difficult process of reorganization. The Multifibre Arrangements enable us to restrict imports of cheap textile goods, particularly from countries where wages are low. However, we must ensure that other industrialized nations are also willing to purchase a reasonable proportion of the developing countries' textile output. We must bear in mind that for a large number of developing countries which are in the process of industrialization, textile production is an important sector of the economy. We in the Community must also seek to persuade a number of developing countries, especially those which are often described as newly industrialized, to minimize investment in those sectors of industry where we already have sufficient capacity to satisfy world demand. This applies not only to the textile sector, but also to a great extent to the steel sector. Whilst we should not seek to use artificial means to prevent certain countries from starting production of textiles, it would clearly represent a considerable waste of resources in global terms if there were to be large-scale investment in the textile sector in countries which were subsequently forced to accept quota arrangements because our industries cannot be reorganized quickly enough. In this respect, we in the Community also bear a political responsibility.

The textile industry plays a major role in almost all the Community countries. We must provide the industry with the injection of capital needed to enable the necessary restructuring to be carried out at a time when market conditions have changed for the rest of industry. The Community's domestic market is enor-

## Nielsen

mous, and offers plenty of outlets for high-quality textile products. Clearly, this gives smaller manufacturers the opportunity of establishing a share of the clothing market, provided that they are given the necessary time, and provided that the challenges are met. By doing just that, a number of efficiently run businesses have shown that the effects of the crisis can be reduced.

We in the Liberal Group want to play our part in ensuring that these businesses continue to have a chance of survival; we must also ensure that we do not create, by one means or another, such artificial market conditions that businesses in competition with them are suddenly able to wipe out their profit-making potential completely. That would serve no purpose at all. Therefore, any kind of agreement will inevitably have to strike a balance, as does the new Multifibre Arrangement, between introducing protective measures for the whole sector on the one hand, especially for products which are under particular threat, and maintaining a certain level of competition for the Community's textile and clothing industry on the other. For this reason, we are able to accept the text now before us.

**President.** — I call Mr Cousté.

**Mr Cousté.** — (*FR*) I am speaking, Mr President, on behalf of the 700 000 men and women who have lost their jobs in the textile industry and are demanding a realistic renegotiation of the Multifibre Agreement. Hundreds of undertakings have also disappeared. Of course we have to call a halt — right now — to this whole deplorable business! Europe cannot go on importing 80% of its sweaters and pullovers, 60% of its shirts and blouses, 55% of its woven fabrics, 37% of its jackets, 39% of its brassières and tights from outside the Community. This really cannot be tolerated, it is no longer acceptable for employment and it is no longer acceptable from an economic standpoint. And that is why we are proposing five measures: firstly, the introduction of ceilings on import levels based, not as before only on volume, but on percentages, and with a link being maintained between imports and the European market's capacity to absorb them. Secondly, the reintroduction of customs duties for certain sensitive product categories. The common external tariff is the lowest of all the industrial countries in the whole world. Thirdly, for the maximum acceptable rate of penetration to be fixed at 33% in order to restore healthy competition. I should point out that this rate would still be double the 15% rate of penetration allowed by the United States and three times Japan's 10%. I believe, fourthly, that we should fall in with the Commission's proposals and agree to the harmonization of certificates of origin. To that extent we cannot support Mr von Wogau's report. Finally, it is essential to show courage by insisting on a temporary tax being imposed on all imports for the

duration of the forthcoming agreement. This tax would be used to finance the restructuring of the textile industry. These are the demands contained in a document jointly drawn up by the European Textile and Clothing Trade-Union Committee and by two European employers' organizations. They are an absolute necessity. The yield from the tax would form part of the Community's own resources and would be entirely set aside for its restructuring programme, which Mr Davignon spoke of earlier.

Let there be no illusions. This programme has to embrace the complex whole of the European textile industry, that is to say not just weaving, clothing and spinning, but also knitwear and the textile machinery industry, which no-one has mentioned but which is so vital to Europe's development and independence. Perhaps we should also include the footwear industry. We could then ask ourselves the question, as Mr Davignon did, why are we in Europe no longer competitive? Well, this is due to the excessively high interest rates. Everything possible must be done to bring down interest rates, which are becoming exorbitant and are discouraging investment. No effort must be spared to promote research and development and vocational training. Yes, all this is true, but true only to the extent that this industrial and sectoral policy serves to fulfil that other major objective which is to bring real stability to the European Monetary System. If not, more money will be to be made from speculating than from producing. And that, ladies and gentlemen, would be a scandal.

**President.** — I call Mr Vandemeulebroucke.

**Mr Vandemeulebroucke.** — (*NL*) Mr President, this debate has really been a massive attack on the disappointing policy pursued by the Community. Distortions of competition have continued, the pressure of imports has increased further. Checks are very lax, imports enter the Community almost unhindered, safeguard measures are taken far too late — the list is virtually endless. The outcome is correspondingly dramatic. In my country, for example, 800 textile firms have been closed and 38 000 jobs lost. 200 firms employing 27 000 people are now in difficulty. Hardest hit has been Flanders, with the loss of 26 000 jobs and unemployment among young people increasing eightfold.

If you look at these figures and compare them, for example, with the situation in the steel industry, you find that less than Bfrs 9 000 m in support loans has been granted to the textile industry in Belgium, as against 100 000 m to the steel industry, even though the textile industry pays the lowest wages and is furthermore principally geared to the employment of women. These are disconcerting figures. Perhaps they are due to the fact that firms in the textile and clothing sector are typically small or medium-sized, thus being

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unable to exert the kind of pressure that big capital can bring to bear. In Flanders 45 000 people are employed in small and medium-sized firms.

We therefore naturally call for a renewal of the Multifibre Arrangement, but above all for it to be linked to a regional policy in view of the completely different industrial structures in the various regions. Practical help can, we feel, be provided only by means of a proper system of loans through the Regional Fund. Loans should certainly not go to firms that even now have no chance of survival but to the small and medium-sized firms, which always have to rely on the crumbs, for new electronic and computer-controlled technologies, on the basis of a clear-cut instalment policy. Until we have this, the Commission will be taking us from one disappointment to another and debates like this will serve no purpose, no purpose at all.

**President.** — I call Mr Vlahoroulos.

**Mr Vlahoroulos.** — (GR) Mr President, I have followed the discussion on the Welsh report with a good deal of interest as all the Member States of the EEC have an interest in the textile industry. Likewise, the production of textiles has a long tradition in Greece and many thousands of people are employed in factories and workshops connected with it. I had, therefore, prepared myself to speak on the topic under discussion but, Mr President and colleagues, I shall not bore you by talking on the subject as I am conscious that your time is valuable and I do not underestimate your intelligence, since my colleague, Mr Filippi, has already given a clear and forthright explanation — and I should add that he did so in a very convincing manner — of what I myself intended to say. Consequently, I am in complete agreement with the views and comments expressed by him. I merely want to draw attention to a figure which, I think, made an impression on us all, namely that 70% of imports come from Far Eastern countries and no effort has been made to bring about a balance in our exports or to restrict our imports. There is therefore a need for caution in the textile industry and measures should be taken on behalf of the textile-producing sector and the workers employed in it.

**President.** — I call Mr Martinet.

**Mr Martinet.** — (FR) Mr President, Mr Welsh's intention was to produce a report reconciling a whole range of opinions, and it must be said that he has very largely succeeded in this. His object, if I am not mistaken, and that of the members of the Committee on External Economic Relations, is to try to secure from Parliament a consensus on a number of important points, in the same way as Mr Bonaccini did when

he presented his report on the automotive industry. But, as Mr Welsh said when presenting his report in committee, his own group would in all likelihood be tabling a fuller resolution that spelt out a number of points more clearly. This is also the position adopted by the Socialist Group. As I say, therefore, we hope that we may, after discussing the amendments, see our way clear to voting in favour of this report, but we also hope — and there is actually a problem in this connection on which we trust the Chair will be able to give a ruling — to be able, like the Conservative Group, to submit our own resolution which seeks to go deeper into the problems raised not only by Mr Welsh but also by Mr Davignon this morning, and which will find their place in the report that Mr Haferkamp will be submitting on behalf of the Commission to the Council of Ministers.

What does it all boil down to? Firstly, to an evaluation of what has actually been achieved by the Multifibre Arrangement and the agreements that have been concluded in the context of it. Next, we have the difficulties in which our textile industry finds itself today, not only because of competition from the developing countries, most of which are signatories to the Multifibre Arrangement, but also because of world market trends and changing technology. Finally, and most importantly, we have to consider the future of a sector which, as several speakers have pointed out, in 1963 employed 3 124 000 people in the Community, and in 1980 employed only 2 330 000. We have to consider a sector which is in danger of losing several hundred thousand more jobs by 1985. That is the fundamental problem we are faced with.

On the basis of the results we can say that they would probably have been worse without the MFA, but we cannot claim that the targets we set ourselves have really been achieved. The MFA has had a moderating influence on so-called low-price imports, of Group I and II, that is to say on imports of sensitive and ultra-sensitive products, but it has failed to prevent a sharp rise in imports of products belonging to other categories. Now this deep penetration of our markets which, in certain cases, far exceeds the 6% allowed for, places our industry in an extremely dangerous situation. In fact, whilst in the 1960s and early 1970s consumption of textile products in Europe was increasing at a steady 3 or 4% a year, the current growth rate is no more than 1.2% for textiles and 1.1% for clothing and it is highly unlikely that we shall exceed this level of consumption in the coming years. Under the circumstances how can we possibly absorb a 6% average annual growth in imports from low-price countries without unleashing a new unemployment crisis? They will then say to us: Are you going to propose closing our markets to countries that are living through the tragedies of under-development? That is not the answer. The problem is to overcome the situation, not to ignore it or over-react to it. For many years to come we are going to have to trade with countries whose hourly wage costs, including direct

**Martinet**

and indirect costs, are 5 to 15 times lower than in the industrialized countries and where even the basic social standards laid down in the recommendations of the International Labour Organization are being totally disregarded. Taking 100 as the average for Europe, the hourly wage costs in Hong Kong are 30 and in Egypt 6. That is why I talked of hourly wage costs being 5 to 15 times below those found in Europe. We cannot turn aside imports coming from these countries, but on the other hand we cannot — and this is the essential point — open our doors in the same way to everyone. We have to know how to choose, and we have to have the courage of our choice.

How then do we arrive at our choice? On the basis of two factors that are today almost entirely lacking from the European scene. By that I mean a proper industrial policy, which Mr Davignon spoke of this morning but which for the moment does not exist, and also some kind of international strategy for the European Community. The truth is that our countries have been going and continue to go their different ways in this area. Some have thought they could sacrifice the lower end of the market in favour of the upper end, while others wanted to keep the whole market for themselves at all costs. We find that attitudes differ depending on the form that penetration of our markets takes. It is time we pooled these various experiences and got down to establishing a joint position, bearing in mind that the protectionist measures to which we are forced to resort in spite of our sworn allegiance to the principles of free trade only make sense in so far as they enable us to reorganize and expand our own industries. Protective measures in the textile sector, as in the steel sector, are not enough: We have to have common industrial policies and, on the basis of these policies, make strategic choices.

Let us give preference to the poorest countries by all means, but first and foremost let us give preference to our natural partners, that is to say the Mediterranean countries and the ACP countries, and what goes for the developing areas must equally hold good for the industrialized nations. We are told that our trading balance with these countries is still favourable, even if it is deteriorating sharply, and that we must therefore do away with all protective measures. But, just as we cannot treat the Third World as a single unit, so we cannot place all the industrialized nations on an equal footing either. The danger to us, let us be quite clear about it, comes from the United States, where the man-made fibre manufacturers have for a long time enjoyed particularly advantageous terms in the matter of raw materials, where research and redevelopment projects have been largely financed by the Federal Government and where, as Mr Welsh reminded us in his report, the Government declined during the Tokyo Round to reduce its tariffs to the same level as ourselves. To negotiate a renewal of the Multifibre Arrangement without concurrently negotiating a ceiling on imports from the United States would be a very serious mistake, the more so when, taking the

overall level of imports of textile products into the Community and not just those from the MFA countries, we find that the rate of import penetration was 7%, yes, 7% in 1978, 12% in 1979 and 8% in the first six months of 1980. And this, let me remind you, when the rate of growth in demand barely goes over the 1% mark.

Let no-one try to fling the sacrosanct principles of GATT in our teeth, when we are in fact cheerfully violating them with the Multifibre Arrangement. In 1979 our textile imports represented 15 600 million dollars and the United States imported only 7 000 million dollars' worth. Europe remains, quite clearly, the most open area in the world. What is preventing the European Community from working out a common industrial policy and a proper overall strategic plan? Well, without a doubt, egocentric nationalism, the weakness of our governments and also the activities of those multinationals whose investments frequently have a negative impact on employment in Europe, without for all that doing anything to expand the domestic markets of the Third World countries, an expansion that these countries cannot do without if they are ever to drag themselves out of the mire of underdevelopment.

There are many other points that we could mention to do with, for example, improved surveillance and monitoring procedures, the drawing-up of stricter rules on outward processing, and the extension of the MFA to include the flax industry as regards fibres and fabrics, and the synthetic textiles industry as regards discontinuous fibres and continuous flat yarn. But I should like to keep to the essential: The negotiations for the renewal of the Multifibre Arrangement will, as Mr Haferkamp knows full well, be extremely difficult. Parliament's role is to deliver an opinion to the Commission. But it is also its role to impress the Commission and particularly the Council with the need to take as firm a stand as possible. This is why we have presented together with Mr Welsh's report a resolution drawn up by the Socialist Group. I should like this resolution to be put to the vote. In any event, we shall not allow the ideas we are putting forward to be sunk without trace. We are indeed at this very moment waging, in this arena and in others, a campaign to stop the decline of Europe and to open up a brighter future for our millions of inhabitants. This campaign is only just beginning. I hope that this directly-elected Parliament will take its proper place in it.

*(Applause)*

**President.** — The proceedings will now be suspended until 3 p.m.

The House will rise.

*(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)*

## IN THE CHAIR: MR GONELLA

*Vice-President*

**President.** — The sitting is resumed.

I call Mr Diligent.

**Mr Diligent.** — (*FR*) Mr President, this has been such a full debate that it is difficult for me, coming in at this late stage, to contribute any fresh ideas. I shall content myself, therefore, with underlining its interest and thanking those who instigated it.

To begin with, let me say that this debate has enabled us to form a picture, and an appalling picture it is, of the crisis in the European textile sector, a crisis that is not, as in other sectors, the consequence of a series of upheavals but has really been more like a steady draining of the life-blood which could at any time spell the death of this essential sector of our economy. Whilst this debate has given us a chance to consider a strategic plan and whilst Mr Welsh's report is excellent in parts, it is none the less too cautious and conservative in the way it develops this plan. In fact, this debate should enable us above all to give some thought to a problem which I believe is a vital one for us Europeans, that is to say the problem of communication. Finding a solution to this problem might help us rectify a number of preconceived notions that could prove damaging to the European idea. Indeed, a part of the faith in Europe hangs upon our being able to come up with a solution to the problem we have been discussing this morning. Now, the risk is that the textile crisis will put into the minds of the populations most affected by it two extremely dangerous notions.

The first notion, which is becoming increasingly widespread, is that this crisis is essentially due to the invasion of the European market by products coming from poor countries. We know and we have proved that this is not true. The second notion is that this invasion has been brought about by the Multifibre Arrangement. We know that this, too, is untrue, even if it has failed dismally in some respects. All the same, the textile crisis is such — and the figures given this morning of 700 000 jobs lost is sufficiently frightening — that we should do everything in our power to prevent the spread, with these two preconceived notions, of anti-European and anti-Third World feeling which may, if we are not careful, gain ground in the sectors most affected by this crisis.

There is another attitude which, in my opinion, is more justifiable. It condemns the fact that in international negotiations the textile industry has always been regarded in recent years as a sort of bargaining counter, which has more often than not been sacrificed. Nothing I have heard this morning has persuaded me to change my opinion in this respect.

In view of the limited time I have available I shall confine myself to just three points. The first is to do with what I have just been saying, that is to say the apparent indifference, I was going to say devil-may-care attitude, of some Community authorities to the problems of the textile industry. I will take just one example — research. Mr Davignon spoke this morning about the problems over the budget.

He was no doubt referring to the fact that, although 17 million EUA were allocated for aid to the textile industry in the 1979 budget, none of these appropriations could actually be utilized. This is really quite disgraceful given the current crisis and the problems we are having. The 1981 budget includes an appropriation of 6 million EUA for aid to workers in the textile industry but it seems that nobody yet knows quite what to use it on. The Council and the Commission may be sure that we are ready to give them one or two ideas and suggestions!

A second problem has been mentioned, namely the attitude we should adopt *vis-à-vis* the United States. Many speakers, and notably my compatriots Mr de la Malène, Mr Delorozoy, Mr Martinet and Mr Cousté, have quoted very precise figures. There is nothing I can add to them, except to quote one example: The United States, champions of liberalism, have decided to limit textile imports to their domestic market to 15%. The duty on textile imports into that country is on average 40% higher, and on the most sensitive products more than 40% higher, than the common external tariff of the Community. This example says it all and I believe almost every speaker has quite rightly called for an end to this disparity.

There is a third point that is I feel particularly relevant to the European political climate. In certain areas of commercial activity there seems to be raging between our nations a sort of mini-civil war. Accusations are flying, one country condemning another of negligence, of complacency, of turning a blind eye to fraud and above all to deflection of trade. In France, a storm has been created by the slogan: 'The Community is a sieve'. Well, I believe we have to have the courage, the honesty to look this problem full in the face. Now there are some national authorities that have done their duty, and I take my hat off to the German court in Hof, in Bavaria, which passed a four and a half year prison sentence on a dealer who brought into West Germany textile products of another country under the guise of intra-German trade. I believe prevention is better than cure and if we do have a 'sieve' situation it is quite simply because the regulations are badly drafted, not enforced or not observed because of a lack of surveillance or authority.

The problem then seems to lie with the organization of customs control, which is something that came in for considerable criticism by the commission of inquiry set up by the French National Assembly. The customs departments of a Community worthy of the name

### Diligent

should, in my opinion, cooperate a great deal more with each other. Personally, I have nothing against the customs people, even though the seemingly endless customs checks to which individuals are subjected these days do end up by getting on my nerves. Whenever I take the train from Brussels to Paris and I have to go through one check after another right up to arrival at the Gare du Nord, I don't know whether it is just that I am dogged by bad luck or that I look like a dope-peddler, but I always have to open my suitcase because somehow they always pick on me to check. But, believe me, I am not out to settle any scores and shall not be calling for the scrapping of national customs departments — for the time being at least . . . What I will say is this: Given that we have common tariffs and common Community frontiers, logically we should also have common Community controls, and whilst I am not immediately calling for the total removal of customs posts between our countries I do say that sooner or later we are going to have to set up a system of Community frontier controls, and these controls would, by the force of circumstances, be effective and fair because they would be *Community* controls.

These are just some of the thoughts, some of the observations that I wanted very briefly to put to you. I should like to end by reminding you of the figures given us this morning: more than 700 000 jobs lost, almost 40 000 jobs lost over the last 25 years in my own small region of Roubaix-Tourcoing alone! These figures are sufficiently eloquent for you to have an idea of the despair — that is not putting it too strongly — that is increasingly overtaking the workers in this sector. They have the feeling, believe me, that they are coming to be a bit like the Third World of Europe, and if this downward spiral in which we are caught were to be allowed to continue, it would be easy for the enemies of Europe to convince our populations that the Community is incapable of resolving its most vital problems. You would not want that, we would not want that, we shall never allow a Community of hope to be replaced by a Community of despair.

**President.** — I call Mr Pearce.

**Mr Pearce.** — Mr President, I think the report prepared by Mr Welsh is a good report. I think it is good because it is balanced between the opposing forces that are in operation here. The report supports a measure of protection for the Community textile industry. It supports the idea of a breathing space, of a lifeline for this hard-pressed industry which has lost a lot of jobs. It supports the idea of gaining stability, of gaining a period to adapt to new circumstances. It supports the aim of getting reciprocal treatment from countries from whom we import textiles and it supports the idea of taking a tougher line with the United States and, by implication, with Japan.

But I think it also, on the other side of the coin, avoids the wish to move towards total protectionism. And I think that in view of the way most speakers have spoken in this debate I should dwell for a moment on this. We cannot shut the doors completely in Europe to imports from other countries. The way out of the recession that we all face will include trade — the expansion of trade — and I think Mr Welsh's report is quite right to stress that.

We must also avoid the risk of retaliation against our exports if we are too restrictive on imports from other countries. We cannot expect people to buy our goods if we will not buy theirs. I think we have a duty to try to protect our good name as a trading entity by not rushing into a system which is totally protectionist, which seems to be the opinion of a number of previous speakers.

We have an industry in decline in the Community — an industry which is in decline for a number of reasons. I think that while trying to cushion the effects of loss of jobs and so on from sudden changes in commerce we have to accept this: we have to accept that if we in Europe want to pay ourselves wages appropriate to the end of the twentieth century and twenty-first century, we cannot go on employing people using the technology of the beginning of this century and in some cases of the nineteenth century. I think that the choice we have to make is between safeguarding the jobs that we have got or replacing them with jobs more appropriate to the modern technology which Europe is capable of. I think we would do ourselves a better service — we would do a better job for people living in textile areas — if we concentrated more on trying to bring into those areas new types of jobs, doing things that we can do and that the developing world cannot do, than by trying to stop history in its tracks. It is not, Mr President, that I am in any way against the interests of these areas — I live in one myself — but I want to go forward and not try to stop time in its tracks.

I now wish, Mr President, to enter a small note of realism as regards developing countries and to draw attention to Amendment No 11, which is in my name. There is a danger that one or other of the developing countries may suddenly export large quantities of textiles to the Community which could be highly damaging to certain sectors. The fact that only 1.8% of textile imports comes from developing countries is not the point. The point is whether there is a sudden surge of imports of one particular commodity into one particular Member State. We have already seen this happen in the case of Mauritius whose exports of pullovers to the United Kingdom greatly upset the British production of that product.

Now in the Lomé Convention, Mr President, I would remind you that in Title 2, Article 12, there is a safeguard clause and as regards Lomé Convention signatory countries, the Community guarantees to provide

**Pearce**

free access to their manufactured goods wherever possible. I myself strongly hope that free access will be maintained. But I do see that situations may arise where this will be difficult, as happened with Mauritius, and where a clamour will arise for protection even from imports from Lomé countries. And I hope that in order to avoid that situation the Commission will take the most efficient steps possible to inform ACP countries, signatories of the Lomé Convention, of the facts of life — that there are circumstances where we would have to ask them to restrict or to limit their exports to us. And I think that the same situation, Mr President, should apply to other developing countries that are not signatories of the Lomé Convention and not signatories of the Multifibre Arrangement. There is a limit — I can see that — beyond which we cannot go, and I think that consultation is the way to avoid this.

Mr President, I say this not in a spirit of protectionism. Indeed consultation — exchange of information — is the best way, I believe, of preventing sudden upsets of trade which are bad for exporters and bad for importers. I think it is the best way to see trade develop. We can accept a gradual development of trade. What is difficult to accept is sudden surges and I therefore hope that with appropriate consultation we will be able to proceed *vis-à-vis* the developing countries with an expansion of trade for our mutual benefit. And I hope that this argument will prevail against those who would wish to protect us from all imports — a wish we have heard from some Members today — and will prompt us to support the Welsh report, which, I think, is a fair balance between the interests of Community importers of textiles, Community producers of textiles and people in the Community who wish to export other products to the rest of the world.

**President.** — I call Mr Kappos.

**Mr Kappos.** — (GR) There is no doubt, Mr President, that the textile and clothing industries are passing through a severe crisis which is part of the economic crisis of capitalism, which itself is characterized by cyclical economic crises and crises in its constituent parts, i.e. the energy crisis, the monetary crisis, the crisis in raw materials and foodstuffs. In the textile and clothing industries in particular the crisis is being exacerbated by the irresponsible activities of the multinationals which are situated in all the developing countries where they exploit the cheap labour force, especially young girls, and the cheap raw materials, with the result that people in the developing countries are robbed and workers in the large urban areas are thrown onto the unemployment heap. This is the truth about the position of the developing countries since the implementation of the Multifibre Arrangement and not, as Mr Davignon said, that the situation in the developing countries has been improved.

Seen from this point of view it is worth noting that in the period 1971-1975 employment in the Federal Republic of Germany increased by only 11.3%, whereas employment created by Western German monopolies in the developing countries increased by 65.7%.

Furthermore, the crisis in the textile and clothing sector has been made worse by the measures which the United States has taken to limit imports and to strengthen their exports to the EEC and other countries.

In my opinion the measures put forward in the report do not deal with the real problems of the textile industry, nor with the special problems of small and medium-sized firms.

Mr President, the crisis in this sector is having a particularly harsh effect on Greece, Greek workers and businessmen in small and medium-sized firms. The fact that a number of firms have been closed down recently is indicative of the crisis in the textile and clothing industry. For example, in the textile industry alone the following closures have taken place: Nelson with 250 workers, Thomoglou with 120 workers, Eriomar with 300 workers, Barkos with 650, Martinou's Cotton Industry with 250 workers, Mukotextil with 220, Marangopoulou with 300, Koule with 450, Farmake with 200, and Biotex with 100. And there is, of course, a list of other smaller firms. Some firms have also carried out mass dismissals. This situation is undoubtedly due to the fact, and this should be stressed, that Greece has joined the EEC. Small and medium-sized firms are in dire straits and are reaching the point where they might disappear altogether on account of the intense competition from large foreign firms and from local firms funded by foreign capital, and also because of the Greek authorities' desire to keep in operation only those firms which are viable within the EEC. The consequences are particularly harsh for Greek workers, especially in view of the fact that this sector employs between 80-85% women, for whom it is difficult to find another job once they have been sacked, and also in view of the fact that unemployment benefit in Greece is totally inadequate. The conditions under which Greeks are entitled to claim unemployment benefit are particularly harsh — they only receive benefit for five months and this corresponds to about 75% of their lowest level of earnings. Greek workers, Mr President, in the textile and clothing industry are struggling to overcome the harsh consequences wrought by the crisis and by Greece's entry into the EEC, they are fighting for national measures to be taken to safeguard employment and to improve the situation as regards unemployment benefit.

The Communist Party is beside them in their struggle and supports their demands and believes that the way out of this situation will be achieved by Greece's withdrawal from the EEC and by making international

### Kappos

trade relations more responsive to people's demands on the basis of equality and mutual interest.

**President.** — I call Mr Irmer.

**Mr Irmer.** — *(DE)* Mr President, ladies and gentlemen, the mere fact that we are today discussing the Multifibre Arrangement in this House represents, in my eyes, progress towards European democracy. As Mr van Aerssen rightly said this morning, Parliament is for the first time involved in the negotiation, the preparations for the negotiation of an international agreement from the outset. I feel we should continue along this course. Many Members of this House — including myself — complain that in the conclusion of international agreement by the European Community something of the democracy that should be a matter of course has been sacrificed. The national parliaments are often no longer competent to ratify such agreements and this power has not yet been transferred to the European Parliament. I feel changes must be made in this respect.

I should also like to take this opportunity to state my views on this institutional aspect. Whenever the European Community concludes international agreements in future, this House should, in my opinion, take it upon itself to ratify them. It would be a step in this direction, I believe, if the problems connected with an agreement were discussed before the Commission is instructed to enter into the negotiations. I very much welcome the fact that in its proposal to the Council concerning the content of its negotiating mandate the Commission has expressly stated that it intends to take account of the views expressed during today's debate.

Ladies and gentlemen, my group is not, of course, very happy about the Multifibre Arrangement in itself, quite simply because we believe in free world trade, which in the long term is beneficial to everyone, whereas restrictions imposed on free world trade can only be harmful in the long term. In this case, however, we are faced with a particular crisis, and we feel that this crisis in the textile sector justifies and necessitates temporary restrictions on the principle of free world trade. The exceptions are necessary so that the principle, which we continue to endorse and to uphold, has a chance of surviving. It is better to impose temporary restrictions on free world trade negotiated at Community level than to allow individual Member States to impose unilateral restrictions on account of the critical situation in this sector.

The problems facing the textile sector have been discussed in detail during this debate. Hundreds of thousands of jobs have already been lost. There is a danger that as many again will be lost. I should like to refer to two factors: many textile firms are located in what are already underprivileged regions of Europe, and the textile industry employs an above-average

number of women. That sums up the problems connected with our regional policy and also the problems that we have discussed during the debate on the report on the development of women's rights.

If the Multifibre Arrangement is to give the textile industry a breathing space, the time must be employed to effect the restructuring that is needed. I do wonder, however, after Mr van Aerssen's well-chosen words on this problem this morning, how I should construe amendment No 30 tabled by Mr Filippi, a member of the same group. Mr Filippi calls for the deletion of paragraph 18 from the Welsh report. This says that the arrangement should be such as to allow a return to the principles of free trade when it expires. I ask the members of the Christian-Democratic Group what position they intend to adopt. Do you intend to approve paragraph 18 and so take the same view as we have advanced, that on the expiry of the arrangement the principles of free trade should be reintroduced, or do we go back to the Filippi amendment and adopt that version. I call on you all to reject the amendment your colleague Mr Filippi has tabled.

Experience has shown that protectionism is not usually conducive to reasonable solutions, but more often an obstacle. The sectors of industry concerned have not become competitive again, and the jobs that were to have been protected have nevertheless been lost. We hope that the renewal of the Multifibre Arrangement will help to make the textile sector an exception to the rule and that the last opportunity of bringing the situation under control can be seized. But we should not shift the responsibility on to the textile industry alone, but in the next few years, while this arrangement is in force, make of our social and regional policies a cohesive Community policy, in other words take support measures to ease the situation, to make jobs available in other sectors and, in particular, to tackle the problem of unemployment among women.

I should just like to mention paragraph 7 of Mr Welsh's report, which refers to the new principles of which account should be taken in this arrangement. I refer in particular to the third principle, the need to favour the poorest of the exporting countries, notably the ACP States. I would recall in this connection that the Joint Committee of the Lomé Convention expressly stated at its last half-yearly meeting in Freetown — and I quote from paragraph 50 of the conclusions — that, of the European Community's total imports of textiles, only 1.8% come from the ACP States and that consequently the ACP States cannot be held responsible for the general crisis in the European textile industry.

Hard though we should negotiate with other countries when it is a question of enabling our own textile industry to solve its problems, we should also be very careful to bear in mind and underline, where the ACP States are concerned, our development aid efforts. Provided this is done, a generally cohesive and

**Irmer**

consistent Community policy is possible. We shall then have forged the links between our industrial, regional and social policies to the benefit not only of this Community but also of its partners in the world.

*(Applause)*

**President.** — I call Mrs Ewing.

**Mrs Ewing.** — Mr President, I would first congratulate the Commission on three initiatives which they suggested for the budget: the Centre for Textiles and Clothing Statistical and Market Information, the programme for scientific research, to be cooperative among the Member States, and a long-term research project. Although two of these were cut back by the Council, the Parliament, of course, supports the Commission in this matter and I should like to echo that sentiment. There has been much talk today about the problems of competition: there is no doubt we all agree that we want to increase our ability to be competitive, and so for my part anyway I am behind those initiatives.

Much of the speeches any of us would make has been taken up already, because everyone has rehearsed the problem and the statistical crisis. I would like some assurance in the wind-up that the Commission do accept the crisis, for although Mr Davignon said that employment had been stabilized in this industry, I think it must be clear that it has not. The job losses have been mentioned already. Mills have been closed in the UK, in Europe as a whole and, of course, some of them in my country of Scotland. The level of production is falling, and the hopes that the Commission expressed of price increase have not been justified.

While we can sympathize with the EEC textile industry, I think we have in fairness also to give it some praise. We know it has adapted itself to modern problems. We know that it has not only a large but an open market, with low tariffs, and that in the matter of the Third World the record of the EEC is a good record with the 30% that we receive. And I should like to follow Mr Irmer on the point that so small a percentage of this comes from the Lomé countries, which we are all pledged to support: that is the discrepancy I should like to address myself to in my minute and a half.

I would ask why it is that the Commission appears to sanction, or at least to feel that it has done its best with regard to, the problem of the United States. Why should they be privileged when we know that they have a pattern of low wages in great parts of the textile industry which really would shame a modern industrial country? Why should they be privileged when they put up such tremendous barriers against imports from the EEC and from the developing countries? Why should they be privileged when their record of

receiving imports from the developing textile industries of the poorer countries is so lamentable? Why should the USA enjoy this privileged position in the EEC when they have not a good record as regards helping the Third World? When we are considering the fixing of quotas in an ongoing situation, should we not take into account the multinationals of the United States, who are using developing countries? And yet that is not always reflected in our quotas. And I think that that should all be taken into account in the quotas. I would suggest that although it is true that there has been a decontrol of oil in the United States, with respect to the Commission that was because of the change of administration. I really would like to say that this is a happy change and I look forward to the decontrol of gas prices, but the United States has firmly said this is not going to happen until 1985. How many EEC textile firms will be out of business by 1985, leaving the United States to enjoy this undeserved privileged position?

When we turn to other countries such as Australia, New Zealand and South Africa, which have got a very strict quota system, or Brazil, Taiwan and Korea, with their high tariffs, I think we also have to ask what they are doing for the Third World. As a member of Lomé I would like to emphasize my sympathy, where we have got leeway, for the Lomé countries and the poorer countries and not for the more developed countries, which have been very restrictive trying to help their own neighbours in penetrating their markets.

I would like to end with just a word on the question of origin. I cannot see what is wrong with labelling by origin unless the motive is not to indicate clearly to the consumer what is happening. It should be a protection, not an inhibition. I think one of the Commissioners mentioned the question of Scotland and there are two names there, Shetland Wool and Harris Tweed, which are probably known to many European consumers. Those industries have spent great fortunes protecting those names and I suggest it is in the consumers' interest that they know that a Shetland jersey has come from Shetland and not from Taiwan. I may be naive, but I would have thought everybody would like to know that the Shetland jersey came from Shetland and not from Taiwan and therefore perhaps the Commission could look at proposals of origin and say that there is nothing wrong in helping the consumer further with an indication of a particular quality product.

**President.** — I call Mr Dimopoulos.

**Mr Dimopoulos.** — *(GR)* Mr President, the biggest problems facing the countries of the Community today are inflation, depression, the balance of payments deficit — \$ 40 000 million in 1980 — and, the biggest of all, unemployment. In previous part-sessions the

### Dimopoulos

representative of the Commission has already told us that unemployment is going to increase from 6% to 7%, and we all know very well that the sector which is suffering most from unemployment is our textile industry. America has already taken measures: import restrictions, incentives for increasing exports, reduction of foreign aid, increased interest rates and many other measures. The Common Market countries are dealing with this situation in what I would call a totally ineffectual manner. What common industrial policy do we have even for the short-term? We know that investment cannot take place and, naturally, since there is no investment the GNP cannot be increased. But can we not at least prevent existing textile firms from being closed down and ease the problems of small and medium-sized firms while new markets are being opened up for these products? In the oil-producing countries millions of people have already changed their way of life because of the increase in their standard of living and they are also changing their style of dress. 900 million Chinese are divesting themselves of their traditional Maoist uniforms and are beginning to adopt new styles of dress and clothing. Why on earth are our factories being closed?

The problem is simple enough to be put in a few words: one month is all it takes to open, or to close, a clothing factory. Consequently, thousands of these industries have been built, are being built and will be built by the developing countries because they provide a swift and easy solution to development. The textile industry, as we know, is a labour intensive industry and not a capital intensive industry, in other words a lot of workers can be employed with a little capital. Woe betide us, dear colleagues, for if we do not take drastic measures quickly to restrict imports, factories and workshops of this kind will be springing up daily like mushrooms in the developing countries. In a period when the worldwide consumption of textile products is not diminishing and the Common Market countries are suffering severely from unemployment, we have thrown in our hand and are allowing textile industries to be closed down thereby creating through our own actions armies of unemployed.

The problem is serious and should be dealt with from a long-term as well as a short-term perspective.

Mr Welsh's moderate report, which we shall vote in favour of, only touches upon this problem superficially and does not go to the heart of the matter. It should have been tougher and more positive. The despair of the unemployed which was expressed here by a number of colleagues should give the Commission and the Council food for thought and make them act with caution in future agreements.

Dear colleagues, we are paying a bad service to the developing countries if we think that we are assisting in their development by increasing textile imports because, on the one hand, the developing countries are being developed in a piecemeal and unbalanced

fashion while Europe is facing unemployment and depression, but if Europe enters a period of even greater recession, this will have a boomerang effect on the developing countries.

**President.** — I call Mrs Castle.

**Mrs Castle.** — Mr President, there is really one very simple question that we are debating this afternoon and that is whether we believe that there should be any textile industry in Europe at all. Of course this is of particular interest to the United Kingdom whose textile industry is the largest in the Community, which has been experiencing in an intense form the problems that have been felt elsewhere among the Member States. Now I believe we have got to give a categorical yes as an answer to that question. That is by no means self-evident because there are quite a number of people who either openly admit or secretly believe that the textile industry in the developed countries has got to evacuate this particular area of industrial activity in favour of the developing countries. The argument goes this way — look, we had an industrial revolution decades ago, the textile industry was its first expression, the developing countries are following in our wake, and therefore it is inevitable that we hand over this whole area of industrial activity to the newly emergent countries who are starting to industrialize.

Now I consider that is the siren voice of the European multinational which is in effect saying to us, let us invest in cheap labour overseas and we will leave you to pick up the high technologies. I call this, Mr President, the theory of cast-the-victims-off-one-by-one-off-the-sledge-to-the-following-wolves. It seems to me to be based on a totally false industrial analysis. It is out of date, it takes us back to the last century, it fails to recognize the pace at which technological development is taking place today, not only here but in the developing countries as well. I believe we live in the age of the concertina economy. Technological leaps are being made throughout the world at a rapid pace which would have been inconceivable when the industrial revolution started in my country many many decades ago. It therefore assumes that we can with leisurely pace surrender one industry after another to the developing countries and indeed that this is our post-imperial responsibility.

Now I totally reject that approach, Mr President, because it is the antithesis of what we really need, which is the planned development of world trade. Heaven knows where it would lead us. It would lead us from one piece of sectoral retreat in industry to another. We start with textiles, we go on to electronics and by heaven it would not be very long before we were also facing the same argument about microchips. The simple fact is that in our country the textile industry is still one of the most important manufacturing units we have got, employing 630 000 people or

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one-tenth of our manufacturing employees. Just to say, in the context of a totally laissez-faire approach, oh well it is too bad, it will have to go in the interests of the developing countries, is to say that we have got to leave in the United Kingdom a great hole in our industrial activity. And that argument applies to other industries, it is being applied all along the line. You apply it to steel, you apply it to anything in which the developing countries begin to show any kind of mastery at all. I think that is to insult the developing countries, because I think they are going to catch up with us with a little help far more quickly than some of us patronizingly realize at the present time.

So I believe that is part of the totally discredited laissez-faire economics which has been the curse of this century. It is time we got something a little bit more sensible which recognizes that there is a much more equal partnership both in opportunity and in risk than we have recognized up to now and that we have jointly together to plan the development of world trade in the interests of every member of the world community.

Now of course we must face the implications of that and of course I accept it was inevitable that the textile industries of the western world should shrink in the post-war years. That is part of partnership, that is part of sharing manufacturing and industrial and trade activity throughout the world. Yes, but shrinkage is one thing, collapse is another, and as far as my country is concerned it is the collapse of the textile industry we are faced with at the present time. I have been a member in the British House of Commons ever since 1945 for a textile constituency. From '45 to '79 I was its Member of Parliament. I had to accept contraction of the industry and up to a point I repeat that was inevitable.

But suddenly the whole situation has changed and I believe we ought this afternoon to be analysing far more closely than we have been doing the reasons for this recent collapse. When we do so we find some interesting things. First and foremost it is interesting to note that the collapse is not due to some sudden upsurge of imports from developing countries, from low-cost countries. That has not taken place. On the contrary there has been some reduction. No, it is due to two other factors that hit the industry in 1980.

The first of course, as innumerable speakers have pointed out, is the dramatic increase in imports from the United States into the EEC in 1980. 20% higher than in 1979, 111% higher than in 1978. We all know why. The Welsh report says and I quote, 'It is not practical to reserve a specific proportion of the Community's market for the domestic producers'. But that is exactly what the United States has been doing for her market. It is happening all over in other places. While we mouth the free-trade shibboleths other people practise the planned economy. That is the difference. President Carter made it clear that he was

not only going to defend but to build up the textile industry by any instrument that lay to his hands. We all know that the United States' tariffs on textile products are 34% higher than those of the Community. We all know that the United States only takes 13% of all low-cost country exports compared with 36% in the case of the Community. All that in addition to the other advantages, such as the advantage of the long runs, the advantage of the artificially low prices still operating in the field of gas. It really is not surprising to find that the low-cost countries are absolutely furious! We have been all of us looking at them and saying they have got to show restraint in their exports and they have done that. And who has reaped the benefit? The richest country in the world. I believe that a clear-cut message should go out of this debate. We must denounce with all our strength that situation and demand that the United States as an advanced country, rich, moralistically preaching at everybody else, starts to accept some of the responsibility of the burden sharing. I totally endorse the references in the Martinet resolution — and I hope we shall have a chance to vote upon them — that her tariffs must come down and she must open her market more to imports from low-cost countries. Let us use all the influence of the European Parliament to make that our first demand.

Mr President, the second factor which has caused this sudden collapse in the textile industry is also within our control and not that of the low-cost countries. It is particularly in the control of my own country. That factor is the economic policies that have been pursued by the Western world. I was interested to read in the Welsh report the admission that, and again I quote 'there has been a collapse of demand within the Community'. Mr President, you can say that again as far as the United Kingdom is concerned. We know what that collapse of demand has meant: the loss of over 100 000 jobs in one year alone and some 200 mills closed. That collapse is due to deliberate monetarist policies.

Do not let us spend this afternoon saying that the salvation lies first and foremost in further restraint by the developing countries when the key criminal is within the ranks of the developed Western world. If we pursue policies that deliberately hold down demand, deliberately give us high interest rates, deliberately give us an over-valued pound, then of course we are going to face a drop in consumption. When I go round the textile mills in my area, I find that this is the argument people put to me. They do not say 'Oh, my goodness, keep out the imports from here, there and everywhere in the developed world,' they say 'It is the collapse of home demand'. It is the high interest rates. It is the over-valued pound. We can ruin a dozen developing countries in the Third World and still not save the British or European textile industries. That is what I want to suggest to my own colleagues, many of whom agree with me on this point. I believe it is madly dangerous to talk about a recession clause,

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because what does a recession clause mean? Once again we pass the buck of our economic failures to some of the poorest countries in the world. That is what it means. I could not be a party to it. I understand the alarm of many of my own constituents who work in the textile industry. They bombard me with their anxieties. They lobby me here and back at home. My heart is with them and my will to help is with them, but I am not prepared to say that the poorest countries of the world should be made to bear the burden of the economic folly of the Western world.

What do we get if we accept a recession clause? — an endless alibi for the failings of our own economic policies. The best thing we can do to help everybody is to expose the blatant failures of the monetarists and demand that intelligent countries in Europe turn their backs on those policies. So what I say is yes, there must be an extension of the Multifibre Arrangement, for one simple reason — the Community and the Western world have failed to use the last breathing space. It is a confession of our failing and our defeat, not of criminal invasion of goods from the developing countries. We have failed to use the space of the last MFA to work out either a Community policy for the survival of the textile industry or a policy of world development. That is a fact. We should come here as penitents and say to the developing countries we are sorry, we apologize and we know we have failed you, not for the first time. We know we have been short-sighted, unimaginative, unadventurous. Give us a little more time. But further extension is only justified if this time at last we use the breathing space to plan the expansion of world trade in the interests of all of us.

Again I am going to disagree with some of my colleagues; I would be unhappy to see a ten-year extension of the MFA. Surely, that would merely be an encouragement to everyone to go to sleep. Of course we have all been delighted to have Commissioner Davignon come here today, and tell us yes at last we are to have a strategic plan for the European textile industry. I remember seeing him way back in 1980 urging that. Oh yes, and may I say to some of my colleagues, what brought Commissioner Davignon also to the penitent's stool? Simply the fact that the MFA is up for renegotiation. If it had been ten years you would have been waiting another five years for Commissioner Davignon to talk about a strategic plan for the European textile industry. The worst thing we could do would be to give a blanket sedative for the next ten years. We need an earlier review than that, simply in order to see to what extent the Community and the rest of the developed world have moved under the MFA cover from a purely restrictionist to an expansionist policy.

This is what I believe is the policy that alone will safeguard the textile industry anywhere in the world. First, the western nations must plan for economic growth. It sounds simple, doesn't it? But you know we have been planning for the exact opposite. Economist after econ-

omist has denounced the deflationary policies not only in my country but other western nations as well. We have got to throw away the policy of restriction, because the policy of economic restriction breeds the policy of trade restriction. It is no good pretending it does anything else at all. In a declining market and the scramble for survival at anybody else's expense.

Secondly, I say this: economic growth will not come unless we spread the purchasing power of the world more equally. That is how we got growth in the Western world: when ordinary working people at last began to organize and assert either a voting power or an economic power or an organized trade union power and forced concessions from those who believed in the unequal distribution of wealth. The real pattern of hope for the future of textile industries, both in the developed and the developing world, lies in the fact that there is a great unsatisfied market for textiles. We say consumption is only going to increase by 1%. Of course it is, if, first, the developing countries have got no market potential. They do not enter the world market: their incomes are too low. And secondly if you then keep wealth down by restrictionist economic policies that reduce the consuming power even of the Western world. It is a simple philosophy that has got to be extended from our own national experiences to a global experience.

I was very interested to read the paper produced by Mr Tran Van Ting of the Commission on this whole textile problem. In that paper he showed that in 1977 developing countries had 37% of the world-wide exports of textiles, but only 27.5% of imports. Yet that is where the great unsatisfied demand lies. By proper planning for expansion and the growth of world trade instead of restrictionism, what we would be doing is first and foremost concentrating on the increase of purchasing power in those countries where demand is obviously unsatisfied. We would encourage them to trade more among themselves. It is no good having a social clause, in trading relationships between developing countries, because developing countries are in a vicious circle. They cannot reach the social standards and social norms of the ILO until they have earned some money. Of course they cannot! It is ridiculous! But what that means is that we should be encouraging like to trade with like. What have we done in our development policy to encourage intra-regional trade, to encourage developing countries to exchange goods with each other, to encourage them to take down the barriers to trade between each other? Now we all know why they turn to us. Because we are the sources of the foreign exchange they need to buy many of the high technology imports they need from us. I say to you we should pay the governments of the Western world to give them that foreign exchange free in order to enable them to develop without exporting their unemployment to us in the form of an excessive concentration on low cost exports which put our people out of work.

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Let nobody tell me that is pie in the sky, I tell you it is being done now, thank God, in Zimbabwe, a country into which a consortium of advanced and western countries just agreed to pump something like 800 million pounds in either grants or interest-free or low interest loans, to get her airborne economically! Of course it is not money thrown away it is money invested in the development of the world market and the development of world demand, and that has got to be the solution. It is pathetic that at this time any country including my own should be cutting down overseas and then coming here and moaning about the problems of some of our major industries. Of course we must encourage the developing countries to diversify their industries. We are not going to stand back and go through that miserable catalogue of industrial retreat. Let them diversify and take the pressure off one or two industries. Above all, we must provoke convergence, not only in the world but in our own European Community. That is the answer to the problem of enlargement, you know.

One of our major troubles is that we have a Community that has no power to plan and no interest in planning. It is interested only in trade policy, that is all. It has no plan whatsoever for redistributing wealth in its own community and this Community must be obsessed less with agriculture and more with industry. It must have a plan for lifting the purchasing power in the new countries that are coming in — Spain and Portugal — so they are not so desperate to export their goods and therefore some of their problems to us. That is why I support a limited extension of the MFA; a breathing space to enable us to show that we have a plan for the expansion of world wealth and world trade. Only within that context can we give any of our countries what they ought to have — a mixed pattern of manufacturing activity. Without it we shall create industrial deserts in our own places and keep poverty within the world.

IN THE CHAIR: MR PFLIMLIN

*Vice-President*

**President.** — I call Mr Brok.

**Mr Brok.** — *(DE)* Mr President, ladies and gentlemen, I should like to thank Mr Welsh and Mr von Wogau for the balanced reports they have produced. But, Mrs Castle, I have a few comments to make on your statement. I was very pleased to hear you, a Socialist, coming out so clearly in favour of growth, because that is a new experience for me. I also agree with you that the United States of America must grant developing countries more generous import terms than

in the past, along the lines of burden-sharing, as you called it.

However, I do not find your appeal for growth completely credible, because with the liking for subsidies and nationalization you have demonstrated in the past in this House and as British Employment Minister, you have stood in the way of what is essential for increased growth in your own country. We must make that quite clear if we are to have a credible discussion.

*(Applause)*

Allow me to say straight away that we must always make it clear in our debate that, even though we may be in favour of the renewal of the Multifibre Arrangement, we are not fundamentally opposed to free world trade. Free world trade in the textile and other sectors has in the past formed a decisive basis for the development of prosperity in Europe. We must therefore express our fundamental opposition to protectionism, especially as 25% of the textiles manufactured in the European Community are exported and the European Community as a whole very much depends on exports. This position must not be jeopardized by too high a level of protectionism.

Nevertheless, I am in favour of a renewal of the Multifibre Arrangement as a means of gaining time for economic and social adjustments in structurally weak areas and of avoiding major difficulties, particularly in the social field.

This is not aimed at the developing countries. As Mr Welsh rightly points out in his report, only 1.2% of textile imports and 1.5% of imports of sensitive products come from the less developed developing countries. What we must do is discuss the problem of the new industrial countries or threshold countries such as Singapore, Hong Kong, Taiwan, Brazil and South Korea, because that is where 70% of the European Community's imports originate from. These countries do not, in my opinion, have any right to be assisted as developing countries, which they no longer are.

I feel I must also say this in the interest of the textile industry of my own region — North Rhine-Westphalia, where 120 000 jobs are threatened. A quota arrangement is therefore needed to gain time for adjustment. This does not, of course, mean that we will not be offering countries like Taiwan fair political conditions or that we cannot learn a few things from these countries and their companies as regards mobility and willingness to be innovative.

In this connection, however, we must be more vigorous than in the past in dealing with the dumping practices of the State-trading countries. I listened very intently to what our Communist colleague Mr Frischmann had to say about safeguarding jobs. We should take this opportunity to appeal to him to stop his

**Brok**

friends in the Eastern Bloc, whom he supports in other matters, from trying to solve the problem of a shortage of foreign exchange at the expense of the workers of the European Community by dumping their goods here. This is another problem which we must tackle vigorously in the interest of the credibility of this House.

Another point I should like to raise concerns the European Community itself. I am of the opinion that many Member States of the European Community have themselves impaired their competitiveness and the development of their competitiveness by being too ready to take internal protective measures. As we know from other sectors of industry, this has a catastrophic effect on job security in the long term. We must, for example, create secure external frontiers with the Multifibre Arrangement, but we must not set up internal frontier barriers, which are in contravention of the Treaty and which are incompatible with a genuine Common Market, as some Member States of the European Community are doing in the textile and clothing sector. Above all, subsidies must not be allowed to distort competition in the textile and clothing industry.

In this context, I would refer, for example, to the Claes Plan, under which DM 2 100 m is set aside in Belgium for a programme in support of the textile and clothing industry. The German textile industry has made great sacrifices in the past to modernize its facilities. We cannot expect our workers and their trade unions to go on sympathizing with the need for modernization to ensure their country remains competitive in the world if they are subsequently penalized as a result of protective measures being taken by Member States where adjustments have not been made.

This is, in my view, a basic issue if the Common Market is to survive. We first saw the emergence of this subsidization trend in the steel sector, and we are now witnessing it in the textile industry. The question is, when will they be joined by the next sector? The European Community and the prosperity it enjoys will be of short duration if the Common Market is replaced by a Community of subsidies, which will inhibit innovation. If that should happen, I find it difficult to say how long we, as convinced Europeans, can expect our citizens to agree that we must be net contributors to the European Community.

Consequently, although I call for the adoption of these two reports, I do feel that, in view of the Multifibre Arrangement and of the attitude of Member States, measures more conducive to competition should be taken in the longer term.

**President.** — I call Mr Kellett-Bowman.

**Mr Kellett-Bowman.** — Mr President, I support the renewal of the Multifibre Arrangement as an alternative to full protectionism. The report we have before us looks after the consumer, the retailer is all right, the merchant is covered and so is the wholesaler; but what does it do for the manufacturer? What of the spinners, the weavers, the finishers? What of the garment-makers? These enterprises and the workers in the mills have something to be worried about. The manufacturers and the workers have every right to say to politicians, it is our businesses and our jobs you are giving away. They also have every right to ask the politicians what is the true cost of giving away part of the market which we have the capacity to supply internally.

Mr President, I do not think we have any answer to that question. The economists are still trying to find out what the downstream costs and the loss of circulation within the economy.

Lady Castle has complained about the working of the present MFA; but she amongst all the speakers who have taken part in this debate had something to do with it. Was she not a member of the government who renegotiated the agreement which became an 'arrangement'? In fact, I believe she was as important as a Secretary of State. I support her request asking for closer examination and closer analysis of the situation arising from the MFA. Well might she ask, but I am afraid the rest of her speech was mostly written for the place from which she has retired.

Now of course the manufacturers and workers believe in free trade; they also want to share their prosperity with the developing countries; given the opportunity, they would like to keep their jobs and give of their prosperity: but they need some protection from cheap imports when the home market is weak: that is, protection not only from the developing countries but from the highly developed countries who are able to push stuff into our markets at a lower cost, including America. How, Mr President, can that be said to be an extravagant demand?

They also seek reassurance, when they lose their businesses or lose their jobs, that the MFA is working fairly. This requirement cannot be said to be an extravagant demand either. It has been left out of the resolution. Indeed there is a certain inconsistency of logic in the resolution, in that the rapporteur has already indicated that he will resist an amendment to introduce proper policing and monitoring of a new MFA. I look at a motion for a resolution which came before Parliament on 18 November 1980 — Doc. 1-604/80 it calls, under paragraph 5, on the Commission to re-examine the system for surveillance and monitoring of textile products originating in third countries established by Decision 47/80. And who is the first signatory of that motion for a resolution? — The rapporteur of this report.

**Kellett-Bowman**

There are three amendments down in my name: No 1 implies the working of a recession clause; No 12 asks for a full-blown recession clause; and No 13 asks for the new agreement to be policed and monitored properly. Mr President, we owe it to the Community's businessmen and manufacturers in the textile field that we should support these amendments.

**President.** — I call Mr Israel.

**Mr Israel.** — (*FR*) It is not uncommon in this Parliament for voices to be raised — and not just the least among them — in defence of the interests of one group or another of Community citizens who have fallen victim to some aspect of the crisis that Europe is undergoing. Perhaps you will allow me, Mr President, to speak of the anxiety felt by thousands of French men and women who are suffering the consequences of Community laxity with regard to fibre and textile imports. I am talking about the small dressmakers and knitters who have to contend with a form of competition it is no exaggeration to call unfair. These small businesses whose future is threatened today have at the same time a quasi-industrial and an artistic role to perform. Fashion, even at an industrial level, helps to give each country that special charm which goes to make up our way of life.

The Community's import policy is responsible for the difficulties we are presently experiencing in the textile and clothing sector. This policy, instead of creating the proper conditions for healthy competition, is in fact leading to definite distortion of competition. Countries using underpaid labour, which is an insult to the principles of human rights that the Community claims to uphold, and refusing to have any responsibility for the social welfare of their peoples, set about making products at unbelievably low prices. The Arrangement which ties the Community to these countries nevertheless fixes a certain quota — based on volume — of goods admitted virtually duty-free. Such is the drive of our competitors that assessing imports on volume no longer means anything. What we are demanding is that imports be assessed on value. Thus the volume of imports will fall by virtue of the increase in the value of the products.

Furthermore, it seems to us that imports should not in any case be allowed to outstrip the domestic demand of the various Community countries, including France. As a matter of fact in France, in 1980, the rate of import penetration was 50%, compared with 39% in 1977. If things go on like this, textile production in France will cease and more jobless will have to be added to the present figure of 700 000 unemployed in the Community's textile sector.

Is there some sort of fiendish plan for the international division of work whereby the non-European countries would manufacture textile products and high-tech-

nology would be left for Europe? But with Europe already suffering severe unemployment, such a cure would be worse than the sickness. We are asking for the rate of penetration to be stabilized. Over and above that, it is vitally important to protect the Community by introducing a temporary tax high enough to act as a disincentive. The Community must not shrink from introducing such a tax. At stake is the survival of an entire sector of the European economy which still directly employs two and a half million people. Fresh negotiations with our foreign partners are imperative. A great many people in France, in particular, are expecting us to take a firm and resolute stand. We cannot let them down.

**President.** — I call Mrs Vayssade.

**Mrs Vayssade.** — (*FR*) Mr President, I speak in this debate for my friend Mr Percheron, as well as for myself, in other words on behalf of two regions particularly affected by the problems in the textile industry: Nord-Pas-de-Calais and Lorraine. The negotiations for a renewal of the Multifibre Arrangement seem an ideal opportunity for us to discuss the problem of the textile industry in our country and in our regions. It so happens that the first major strike to be organized on a European scale took place in December 1980 in the textile sector, and without a doubt we can take that as a sign. A few weeks ago we discussed the automotive industry, a few months ago the iron and steel industry, this time it is the turn of the textile industry, and again it is the same regions of France that are involved. These regions are particularly seriously affected since almost half of the jobs in textiles — in Lorraine over half — have disappeared in just a few years. Incidentally, the textile industry is perhaps a typical example of capitalist redeployment and it could give us an insight into what could happen in other sectors of industry in the coming years unless our countries and the Community as a whole decide to take alternative measures and conduct a proper industrial policy.

The textile industry was in fact the first to be introduced to the laws of unemployment. On the one hand we have the fairly rapidly developing countries like South Korea, Taiwan, Malaysia, Hong Kong, which open their doors wide to foreign investment, and on the other a group of multinational corporations — mainly American and Japanese, with the French and Europeans not far behind — which take advantage of the policy of these States, not to help in the development of these countries, but to make a quick profit on capital that it would not be easy to turn over so profitably elsewhere. What we have here then is a deliberate policy of uprooting industries which does little enough service to the country to which they are transferred and does a very great disservice to the country in which they were originally established. And since the viability of these transplanted industries, based on low wages and shameless exploitation of the local labour

**Vayssade**

force, depends on the export of their products, they export to the high-income countries, that is to say to the industrialized countries. Primarily to the European market, officially or indirectly, and then to the United States, because the United States being more protectionist than ourselves are less easy to penetrate.

We know what the consequences of this are for our industries. In the name of free trade, Europe tolerates and sometimes even covers up for these companies who have no interest in the development of their host countries. In the name of industrial efficiency, or ostensibly so, some States are assisting with the reconversion of certain textile undertakings by asking them to 'change their trade' and as a result whole chunks of our traditional industry are disappearing.

The Multifibre Arrangement must be renegotiated in such a way that it is not just simply a licence for the multinationals to export to Europe and to continue the policy they are now pursuing, but a response to the problems of European industry and at the same time to certain development needs of the countries of the Third World. And I believe the textile industry should be treated in a very specific manner, for the time being excluding these products from the import quotas of Third World countries. It is desirable therefore, as far as these negotiations are concerned, that the Community should not place too much reliance on natural market forces but rather launch a new industrial policy and a new commercial policy. Unless it does this, we shall continue to see our own multinationals developing into direct competitors of their industries sited in the Community.

With regard to the Multifibre Arrangement, I endorse everything that has been said this morning, in particular by Mr Martinet and, in parts, what Mrs Castle said a few moments ago. We have then to get to grips with this phenomenon of transplantation of our industries and draw up a strategic plan for the development of the European textile industry.

Finally, I have a word for the Commission. Since the elections by universal suffrage I believe our European problems are beginning to be more widely known and better understood by public opinion. People are taking a greater interest in what is happening, and especially the people of our regions of Lorraine and Nord-Pas-de-Calais. I should not like the people of these two regions to think of the European Community simply as the place where they sell off part of the iron and steel industry or sell off the textile industry. I should like it to become a place of industrial development and of social development for the entire European population. Without that, all we shall succeed in doing is increasing unemployment and causing the majority of European citizens to turn their backs on Europe.

**President.** — I call Mr Deschamps.

**Mr Deschamps.** — (*FR*) Mr President, ladies and gentlemen, since my return to this directly elected Parliament, this is the first time I have asked my group to be allowed to speak in the House. The insistence with which I made this request bears witness to the fundamental importance I attach to the subject we are discussing, for which there are three reasons, which I will explain in my brief statement.

Firstly, the textile industry is vital to the survival, and I am choosing my words carefully, of a considerable number of men and women in our countries generally and in my own country, Belgium, in particular. I should like to thank and congratulate Commissioner Davignon on having stressed this human aspect of a problem which it would be completely wrong to discuss solely in economic and technological terms. We therefore hope that the plan referred to by the representative of the Commission will be implemented resolutely. With this in mind and because of the confidence we have in the Commissioners responsible for this crucial policy we shall approve the report by Mr Welsh subject to the adoption of various technical amendments which will be moved presently. First, the Multifibre Arrangement must be renewed after negotiations conducted with firmness, and it must be improved wherever necessary and reasonable.

Secondly, the way in which we face and conclude these vital negotiations for the future of Europe's textile industry is likely to be just as vital for Europe itself. I should like to speak very plainly on this point. In attempting to solve the problems facing the textile sector, we should avoid jeopardizing the very existence of a European policy by undermining its foundations. That would probably be even more catastrophic in social terms for all our industries and all our workers than the present, very serious situation.

Let me explain what I mean. The whole future of Europe is based on the freest possible access to world markets, and any policy systematically opposed to this principle would be suicidal for Europe. Of course — and the Multifibre Arrangement we are now discussing is an illustration of this — certain temporary barriers may prove necessary. But these barriers must be provisional and limited in extent. While they may be indispensable in the absence of other possible measures, they will be justified if we Europeans take advantage of the time thus gained.

So — and I would draw your attention to this point — they are justified only if we are prepared to use this respite to make an effort to restructure — or 'reorganize and improve', as the report says — our textile industry as part of a global Community strategy. We shall only save our textile industry, like our other industries, by our own efforts.

I should now like to make two comments on previous statements in this debate. Not being personally involved in an election campaign, I am able to make

## Deschamps

these comments quite dispassionately and solely with the basic interests of Europe and its future in mind.

My first comment concerns those speakers who have said: 'European agriculture is protected. Why cannot the European textile industry be similarly protected?' Ladies and gentlemen, the European agricultural policy exists, and in fact it is the only European policy we have. Unfortunately we do not yet have a European textile policy, while our farmers are protected by Community mechanisms that form part of a policy. Are we prepared, and this is the question I wish to put during this debate, are we prepared, and I would welcome it if we were, to have our textile and other industries governed by a common industrial policy? If so, this debate will have been particularly important. And if that is what certain speakers meant when making this comparison, which at present is unfortunately invalid, between our common agricultural policy and the absence of a common industrial policy, then this debate will have been essential.

The second comment I wish to make — and I am glad to see Mrs Castle is facing me, because I was referring particularly to her — the second comment concerns what has been said about American imports. Mr President, ladies and gentlemen, I know that in certain countries, in certain quarters and in certain sectors it has become a habit, a rule and almost a necessity to question the United States of America. But I warn those who thus choose what is in fact an easy way out, and again I would ask them if they are prepared to make the essential effort to achieve European unity, to strengthen this unity so that we are able to negotiate with the United States on an equal footing. But I believe that Mrs Castle, a member of the British Labour Party, is in a poor position in this field to tell us.

The third reason for my statement today is that the textile industry and the way in which we negotiate the renewal of this Multifibre Arrangement to save what can be saved is just as vital for those about whom a great deal has been said, the developing countries, as it is for a very large number of men and women in Europe and for the very notion of Europe and its substance.

Ladies and gentlemen, what I should like to stress is that the developing countries — which, let us not forget, have essential raw materials — are just as much a safeguard for the future of our industry as a whole as the measures we shall be taking in the more limited field of the textile industry. I say it would be insane to pursue a policy against the developing countries. I say it would be not only insane but also profoundly unjust, because it would affect all the developing countries and thus placing equal blame on countries which differ widely and whose alleged threat to us, while real in certain cases, is completely illusory in others.

Mr President, to sum up, I am in favour of the renewal of the Multifibre Arrangement for a sufficient period of time. I feel it should be renewed so that the basic principles of our European policy as a whole are not compromised in the negotiations. I therefore reject the idea that all the developing countries should be likened to those in which, it is true, various industrial companies or organizations are endangering our own textile industry and our workers. Finally, I urge all those who have any say in European policy to take advantage of this last chance we have of restructuring one of Europe's basic industries.

**President.** — I call Mr Lalor.

**Mr Lalor.** — Mr President, the renegotiation of the Multifibre Arrangement which is due for renewal late this year may spell disaster or salvation for the European Community's textile industry. More than any other sector of EEC trade, the textile industry has suffered by far the greatest damage. The question is what we can do to manage this stagnating industry better and to suppress the glaring face of unemployment.

We have seen how the textile industry has undergone profound changes over the years. It represents 9.5% of industrial employment. It has undergone the loss of 700 000 jobs since 1973, and 4 000 enterprises in all have closed down since then. Ireland, my little country, has been very seriously affected. Such losses cannot be sustained any longer. The industry itself employs more than 2½ million persons still in the EEC and a large proportion of those are women. If their jobs are to be maintained, we need effective, consistent and well-applied European measures and directives. If not, the industries will become even more uncompetitive and be placed at even greater risk.

We must resist the undermining of our market by the cheap goods coming from North Africa, from Eastern Europe and from the Far East and, of course, the flood from the USA. We must insist upon, as I see it, Community preference. While excessive preferences have been granted to countries outside the EEC, the time has now come for Europe to take example from that heretofore bastion of liberalism in economic and trade matters, the United States, and protect our own commercial interests and the future of our own citizens, both young and old. To this end, as I see it, we must insist on a tax on textile imports, the proceeds of which should go to the EEC budget specifically to finance the restructuring of the Community's textile industry.

We demand the introduction of immediate protection measures aimed at preventing the further decline of the textile industry in Europe. The ten Member States of the Community must, in addition to the other signatory countries to GATT and MFA, elaborate a

**Lalor**

new European policy on textiles as such that will establish once and for all long-term planning in the industry. These four-year half-hearted attempts are just not good enough. The necessity to restructure the industry and to modernize it should be the first priority of this European textiles policy.

The second priority should be to maintain a level of imports that is compatible with the internal consumption of the ten Members States. As I said before, this can be done through the establishment of an appropriate tax system. Another aspect of a European taxation policy should be to punish the number of fraudulent people who are importing and dumping raw material from developing and other countries. I appeal to the Commission to negotiate a proper agreement and to introduce Community preference.

**President.** — I call Mr Nikolaou.

**Mr Nikolaou.** — (*GR*) Mr President, I must say that the report of the Committee on External Economic Relations drawn up by Mr Welsh does not take a one-sided view of the problem. However, on the political level and as regards the scientific basis for the views which the report puts forward, there are some important contradictions and omissions. First of all I should like to point out that the report deals in more or less the same way with all the countries which export to the Community despite the fact that there are significant differences between Third World countries and the United States of America in terms of their size and standard of living. The foreign deficit of the Community, as reported recently in *Le Monde* and other newspapers, doubled in 1980. The reason for this is due mainly to trade exchanges with the United States and secondly, I should say, to trade exchanges with Japan and Canada. On the other hand, the Community has a positive trade balance as regards its exchanges with Third World countries. Also we should not forget that the United States is managing to export its products at reduced prices because, first, it is introducing false cost elements and, second, because it is resorting to the so-called black labour market thereby violating all the international treaties such as GATT and the Multifibre Arrangement (MFA). Likewise the Welsh report, despite the important amendments made to it, does not give a clear description of the role played in the crisis of the European textile industry by the multinational companies which are based either in America or Western Europe and which have extended their activities to third countries, mainly in North-East Asia.

It is clear that these firms have their eyes on the Third World where they are making investments clearly designed for an export market. In other words their aim is to produce products for export only and not for sale on the home market. The effect of this is negative in two ways. On the one hand, they are not assisting

the development of these countries' regions by preventing, on totally false premises I might add, the vertical integration or, in other words, the self-sufficiency of the economies of these countries — since the products are limited, as I said, to the export market rather than the home market — which quite clearly increases the social inequalities prevailing in these countries. On the other hand, exports of products from these countries to European countries and the highly competitive nature of these products are leading to the decline of many European firms thus intensifying the already acute problems of depression and unemployment in Western Europe. In my opinion these are the consequences of the unplanned and indiscriminate action of the multinational companies upon which there are essentially no restraints and it is for this reason that I take a guarded view of the Welsh report.

Just a couple of words on the situation in Greece. Textile production is one of the largest manufacturing and craft sectors in Greece. Following the rate of development in the ten-year period from 1960 to 1970 textiles became one of the foremost manufacturing and craft operations in Greece. Since 1973, however, there has been a significant downturn which we are afraid will continue unless decisive protective measures are taken directly, not just by the European Communities, but by Greece itself and its government. Furthermore, and it is unfortunate that I have to make this point, the position which we are adopting on the Welsh report must be the same as that which we adopted on the question of the sugar and steel industries. In finishing I want to say that it is for this reason that my party, P.A.S.O.K., will abstain. It will not vote against but will abstain from the vote on the Welsh report because, as I pointed out earlier, this report does not make any decisive attempt to deal with the fundamental issues of the major crisis in the textile industry throughout Western Europe. This crisis is due to two factors referred to earlier which I will briefly repeat again: the indiscriminate action of multinational companies and the untaxed, I repeat the word, untaxed exports from the United States into Europe. Commissioner, we should not apply one standard to others and another to ourselves and America should not be in competition with Europe when Europe has no intention of taking protectionist measures. In spite of this, my party will vote in favour of the proposal which Mr Martinet put forward this morning because we are in agreement with most of the issues covered by it.

**President.** — I call Mr Deleau.

**Mr Deleau.** — (*FR*) Mr President, ladies and gentlemen, I shall speak only on the report that has been presented by Mr von Wogau which, as always, is excellent. I therefore find it all the more regrettable that I cannot agree with all his conclusions. As my speaking time is limited, I shall be very brief, even though there is much to be said on this subject.

**Deleau**

The proposal from the Commission to the Council concerning the indication of the origin of certain textile and clothing products sets out to standardize, at Community level, the indication of the origin of such products. We feel that, as the proposal is worded, it will not achieve the basic objective, which I can summarize very briefly as checks on the origin of products and the prevention of deflections of trade. It will, in our view, be ineffective unless it makes such marking compulsory in all the Member States without exception and at all stages, without exception, of the production, import and distribution of textiles and clothing. This requirement to indicate origin must apply both to imports originating in the Community and to imports originating in third countries. Hence, Mr President, the amendments we have tabled to Mr von Wogau's report, the intention being to make the Commission's proposed directive fully effective, and we hope that the Assembly will adopt them.

**President.** — I call the Commission.

**Mr Haferkamp, Vice-President of the Commission.** — (DE) Mr President, on behalf of the Commission I should like to express my sincere thanks to the rapporteurs who have prepared the way for today's debate. I am also grateful to the House for its great interest in the debate. It has thus made it clear what importance it attaches to the negotiations that we will shortly be conducting on the renewal of the Multifibre Arrangement.

We face, as has become clear here, difficult and important negotiations. I stress, Mr President, the word 'negotiations'. What we have here is an exceptional arrangement within the overall system of GATT, negotiations in which our partners will be developing countries, with whom we have to come to an agreement which they too find acceptable. A number of contributions to this debate have made it sound as if we could go along and say: This is the Community's view, and you had better agree to it. Ladies and gentlemen, let us not delude ourselves: they are preparing their negotiating position as well. We must therefore be clear about our own objectives, but we must also realize that we are not alone in the world and that in the difficult economic and trade situation facing the textile industry throughout the world we must come to an agreement with one another, that is with our partners in GATT.

The most important of our objectives are, firstly, the protection of the sector which is in difficulty and whose economic and social importance has been made very clear today.

As our second objective we must bear our own export interests in mind. Let us never forget that the survival of the Community depends on its exports.

Thirdly, we must bear in mind and not disrupt our relationship with the developing countries during the negotiations. And finally — I mention this, although very little has been said about it today — we should not forget that we have the interests of several hundred million consumers in the Community to protect.

I have a few comments to make on these objectives. As regards the protection of the textile sector, I must stress what has been said here, that this cannot be permanent protection, but protection to enable the sector to adjust. But I must also stress that this adjustment must in fact be effected. People must not rely on the fact that there has been a first Multifibre Arrangement lasting four years, a second lasting four years and another lasting perhaps even longer and so, with protection like this, we can save ourselves the bother of adjustment. We certainly cannot have that.

As regards our export interests, we export textiles, we export machines, textile machines, for example, and Mr Stewart-Clark issued a clear warning against the impression being created that we are not being quite honest, that we want to sell capital goods to developing countries but are not prepared to take their products afterwards. This is not simply a question of theory or morals: it is a very practical question.

We recently had the experience of a clear response from a developing country — Indonesia — to the attempt to reduce the quotas on its exports of textiles to the Community. These products had a value of something less than 50 m dollars. Indonesia's reaction was to cancel imports worth about ten times as much from the Community Member State concerned. So the response to the import freeze, the import barriers, the plan by a Member State of the Community to put obstacles in the way of certain textiles from Indonesia was the immediate cancellation of purchases from that Member State. I would therefore warn against pursuing this course, against trying to ignore the interests of others. We would be harming ourselves if we tried that.

Finally in this context, it must be remembered where our relationship with the developing countries is concerned, that the positive or negative outcome of these negotiations will undoubtedly have an effect on the whole of the North-South debate, that they are an important matter for these countries.

I should now like to say something on a number of specific problems to which reference has been made in today's debate. Firstly, several Members put forward an idea which in certain quarters might be considered an elegant, brilliant solution. I should like to say straight away that it is not. It was suggested that a supplementary tax or supplementary duty, perhaps both — that was not quite clear — should be imposed, with the tempting rider that this could produce additional revenue for the Community that could be used

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to finance, modernize or restructure the textile industry. If supplementary taxes on textiles were not to be discriminatory, they would surely have to be levied on all textiles. Everyone will realize that in the present economic situation and the situation facing consumers this would result in an even greater decline in consumption than we already have. That surely cannot be the object of the exercise.

If the idea was that a special tax should be levied on imported textiles or supplementary duties on imported textiles, then, according to the rules of GATT, compensation at least would have to be paid, and the authors of this idea have so far omitted to say who or which exporting industries in the Community should foot this bill. Thousands of millions would probably be involved. That in itself is enough to show that this idea cannot be considered realistic. Not to mention the general effect such action might have on the Community's general position in world trade. We should take a closer look at the patterns of trade in the textile and clothing sector. 50% of the imports of every Member State in the Community come from another Member State, thus constituting intra-Community trade. Of the remaining 50%, about 36% come from the countries that are party to the Multifibre Arrangement, 24% from countries with which we have preferential arrangements and 29% from industrial countries. I must bore you with a few more figures. It has been said that the present Multifibre Arrangement has not worked effectively. While the first Multifibre Arrangement was in force, we had average annual growth rates of 19%, as against average annual growth rates of 2.5% in our imports during the life of the present arrangement. When it is remembered that the Multifibre Arrangement refers to 6%, it surely cannot be said that it has not worked well.

Let me say something else about the relationship with the industrial countries. As has already been said, the Community has over the industrial countries as a whole an export surplus which has amounted to rather more than 1 600 m US dollars each year for the last three years. In the past we have also had a surplus over the United States, but not since 1979. We must seek bilateral solutions to the problems that exist or may occur in one sector or another in our relationship with the United States. The Geneva negotiations on the Multifibre Arrangement will not be the place for this, because our interests in these negotiations are largely the same as the Americans. We must and will, of course, urge the United States and also Japan to state their willingness in these negotiations and in the case of future measures taken under this new arrangement to import more than they have done in the past.

But we should not simply take percentages and market penetration factors as a basis in this respect. The United States, for example, import just about as much clothing per capita as we do. They take less in the way of mass-produced manufactures such as cotton yarns,

because here the American industry is the most competitive in the world. So this has nothing to do with ill will or natural gas prices. It is principally a matter of the effects on the chemical industry. But we have often talked about this, and we shall continue to seek reasonable and sound competitive positions.

As regards the developing countries, we shall suggest that a distinction be made between developing countries which are developed and already competitive in certain sectors or products and those which are only now in the process of developing their industry, their textile industry. It is reasonable to expect the developed countries to assume part of the burden of helping the poorer developing countries. Where these countries experience any growth at all, we must expect it to be less than in the case of the poorer developing countries. We also expect the developed countries to open their markets to imports from the Community. We cannot accept that Korea or Brazil, for example should have high import barriers. In connection with outward processing, we shall also have to negotiate with these countries on the purchase of primary materials from the Community.

With respect to illegal imports, we have already made special arrangements for controls with a number of countries, and particularly with the ASEAN group, to prevent such imports. In the forthcoming negotiations we will try to achieve agreement that in future, where it is proved that illegal imports have taken place, the quantities concerned will be subtracted in full from the negotiated quotas. We have already done this several times in the case of producers in Hong Kong and Korea, even though the arrangement does not make provision for such action. We want this set out in the arrangement.

Another aspect is the need for close cooperation among the customs authorities of the Community. Unfortunately I have to say that a Commission proposal of March 1980 on this subject has not yet been adopted by the Council. It provides for closer cooperation among the customs authorities of the Member States and also for the creation of a European control group at customs authority level to look into any infringements. As I said, the Council has not yet taken a decision. All kinds of resistance is being put up by some Member States. As this question was principally raised here by French Members, I must unfortunately say that the French delegation in particular has caused difficulties. Perhaps the Members who have referred to this matter can do something to remove what they described as a *passoire*. We would be very grateful to them if they could.

During the negotiations on the second Lomé Convention and the general customs preferences, the

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Commission proposed the inclusion of a social clause. We shall be making the same proposal to the Council in our guidelines for the negotiations. I should like to emphasize that this is not a pretext for protectionism. Nor are we interested in interfering in the internal affairs of our partner countries. But we do feel that the development and expansion of a textile industry in the developing countries must contribute to the improvement of the living conditions of the people in those countries.

As regards the life of the arrangement, it is obvious that the textile industry can best make plans and decisions particularly on its investments against a background of longer-term stability of international trade. But we must also realize that if the arrangement remains in force too long, problems may arise for the countries with which we have to negotiate this arrangement. We must realize that the question of the life of the arrangement may trigger off various material demands concerning the substance of the arrangement, which will enable us to gain the acceptance of our partner countries.

We have also found with bilateral agreements which have existed for some years that there have been very frequent and rapid changes in the sensitivity of the various products. It should be our aim in the negotiations to ensure the arrangement continues long enough for the Community's industries to be able to make progress in restructuring.

This very important aspect will undoubtedly be a frequent subject of discussion this year, both in this House and, without a doubt, with even greater interest in the appropriate committees. As we have done in recent months, we shall continue our talks with the representatives of the textile trade unions and textile firms during the negotiations.

If the motion for a resolution is adopted in the form proposed by the committee and carefully explained by Mr Welsh, it will add strength and support to our negotiating position. In the coming negotiations on the problems of the textile sector, we shall be endeavouring in particular to make the European textile and clothing industry competitive and to encourage this development.

There are many examples to show that European firms in the textile and clothing sector can be competitive in the world market. So there are examples not only of firms in difficulty but also companies which have adapted and made the grade, which have not done badly at all in the process and are creating new jobs every year. We must reach the stage where this is true of the whole of the Community's textile and clothing industry.

## IN THE CHAIR: MR DANKERT

*Vice-President*

**President.** — I call Mr von Wogau.

**Mr von Wogau, rapporteur.** — (DE) Mr President, I should like to refer very briefly to one or two arguments which have been advanced during this debate. I will begin with what Mr Haferkamp has just said regarding the protection of external frontiers. If we want European industry to remain competitive or to become competitive again, the basic requirement is an internal market that functions. To match this, we must also have secure external frontiers. My esteemed French colleagues have variously referred to the problem of illegal imports. It is for this reason that the Commission's proposals on the protection of the external frontiers, to which Mr Haferkamp has referred, must be implemented and the control group which will take action against offenders must be set up. I feel our Parliament should also take an appropriate initiative here.

The second extremely important question that has been raised concerns access to the common market and the interpretation of the rules of the Treaty of Rome in connection with Articles 30 ff. Mr Narjes said in this context that the Commission was in the process of considering how it should proceed in the future.

And I listened very carefully.

Mr Narjes said that any arrangement for the indication of the origin of textiles might represent a possible barrier to trade. I feel this question simply has to be clarified — if necessary, by the European Court of Justice. The companies which have to take decisions have, after all, a right to know what satisfies the provisions of the Treaty of Rome and what does not. In the forthcoming consultations the Commission should therefore conclude that in this case an action must be brought pursuant to Article 169.

**President.** — I call Mr Welsh.

**Mr Welsh, rapporteur.** — This, Mr President, has been a long debate and I think that everybody who has sat through it has probably learnt a great deal, it is certainly not my intention now to add unduly to its length. I would, however, just make one or two observations on what various Members have said.

I have been accused in terms that can be only described as vilifying of not having gone sufficiently deeply into the subject. Well, I am very sorry that people should feel that way, but my remit from the

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committee was to prepare a negotiating brief for the Commission for the Geneva negotiations. It is not our competence to produce or discuss a strategic plan for the textile industry — that is certainly the job of the Committee on Economic and Monetary Affairs. It is not our job to go into the question of development and cooperation because we have a very fine committee to do that and therefore to those who say that the subject was not examined in sufficient detail I would only say that as rapporteur I was very conscious of my duty to keep within my brief and within the competence of this particular committee.

Now, no doubt, these debates will continue and no doubt many interesting opinions will be brought forward and many new policies launched. Today, however, we are concerned simply and solely with these negotiations. It may be very desirable that the Commission should have a strategic plan for textiles. The fact is that they have not or, if they have, nobody has actually seen it yet and the fact is also that the negotiations start in Geneva on 6 May so there is no way that we can have a strategic plan for textiles in time for the Geneva negotiations, because however important it may seem to us, we have to remember that the Community is part of the rest of the world, other people are going to be involved in these negotiations, and time will not wait for us. I also would like to say a word or two about the United States.

Several colleagues, notably Mr Martinet and Mrs Castle, attacked the United States and their enormous exports to the Community. I share their view. Really, I share their view. But the fact is that the US exports to the Community are not going to be on the table in these negotiations. They are being handled now under an entirely different series of bilateral talks which go on directly with the Community and the United States — and that is the proper place for those exports to be considered. And before colleagues loosely assume that the solution to our problems is to embargo imports from developed countries, may I just remind them of this; with the OECD countries as a whole the Community runs a substantial surplus in textile trade. If we start to impose restraints on one OECD Member, who is to say other countries such as the EFTA countries, with whom we run very favourable trade balances, are not going to start seeing if they cannot impose restraints on us? I ask those people such as Mr Martinet and Mr Filippi, who have the interests of their workers so much at heart, how they are going to explain that to the workers when they find, in fact, that the balance of trade which the Community now enjoys with developed countries has been reversed? How will they explain that?

Many people have mentioned multinationals. I agree. Multinationals should be controlled. It is a very desirable end but it will not be on the table at Geneva. That is a matter for the Community's internal structures and for agreement with its other developed partner countries. We are not concerned with that today. To listen

to the debate, Mr President, one might have thought that this was a wildly laissez-faire document. Mrs Castle, in a way that could only be done by Members of the British House of Commons, succeeded in putting up a target and knocking it down again, although in fact the target that she put up had absolutely nothing to do with the debate. I can assure Mrs Castle that nobody here suggested selling off the textile industry somewhere else. I listened to the whole debate, and as she missed a great deal of it I can give her that assurance. So most of what she said was completely irrelevant to what we actually discussed today and the rest was, to say the best of it, meretricious. The fact is that this resolution offers the industry and the workers a degree of protection that they have certainly not enjoyed before and which I suspect is well beyond their expectations in these negotiations. A number of speakers said we should bash the South-East Asian countries. Some of those speakers also course applauded the agreement that we made a little while ago with the ASEAN States and said what a tremendous thing it was that we were opening up our trade with these countries. But let that pass.

Some people said we should bash the South-East Asian countries. Well what we are doing, or what we are proposing here, is to freeze the imports from the South-East Asian countries and other newly industrialized countries for at least three years. We are freezing them, stopping dead. Is that free trade? Is that foolish playing around with the interests of the workers of Europe? Absolutely not! I tell you, Mr President, if the industry knew it could get that out of these negotiations there would be bonfires all round the textiles areas of the Community tonight.

Then people said well then we must have reciprocity. Well of course we must, and it is right here in the resolution. In fact if the Commission adopts our suggestion which is to have a ten-year MFA with three-year reviews of quota levels, that gives us the opportunity to reward those countries which give better access to Community goods by increasing their quotas. We have a carrot and a stick. So reciprocity is very much in here.

Finally, it was said we must encourage the developing countries. Again I agree that we must. There is in fact nothing in here at all about developing countries of the Lomé Convention — nothing at all — so they are on the face of it being offered the most completely liberal access of any one. Their access is only restricted by the terms of the Lomé Convention itself. That is very good; that is what we all want.

The most important item from the industry's point of view — and I was a little sorry to hear what Vice-President Haferkamp said about this — is the question of the ten-year MFA. What this industry needs above all else — in Europe and in the developing countries — is a period of stability and calm. We all agree with

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that. The history of the last twelve years has been one of constant negotiation and renegotiation at a very high political level. We can all do with a rest from that. So what I would suggest to the Commission is this: let us have our ten-year MFA; but as part and parcel of that let us also adopt the other suggestion which is that of the three-year review of quotas which can be done on an administrative level without the great political vibrations that surround this process now. The Commission, civil servants and the civil servants of the partner States can sit round and agree quietly on a reasonable set of quotas, three times in this ten-year period. That can be adjusted according to the realities of the situation and can be adjusted in the interests of all the industries.

So I conclude, Mr President, by saying that I do not believe that this document is a protectionist document in the sense that Mr Filippi and his friends would like. It is not so because it is not realistic, and we have heard eloquent speeches from all round the Chamber as to why it is not realistic and why in fact it is in the supreme interest of the Community to promote growing and ordered trade.

Equally, it is not giving the shop away. It is not saying that any developing country, and low-cost supplier can come in here and wipe out our domestic industry or threaten our workers. Absolutely not! As I have already said, it offers the industry a degree of protection that they have never had before, and if they knew they were going to get it they would be delighted.

Mr President, this resolution is a middle way. It is a way of sound, common sense. It is a resolution that we can give to the Commission with every confidence and say gentlemen, that is what we realistically expect you to do and come back with. Anything else to one side or to the other will destroy the credibility of that important position.

Vice-President Haferkamp was kind enough to say that this resolution would be a potent factor in these negotiations. We all agree on the importance of the negotiations. So let us give him his resolution; let us give him his potent factor and let us say Vice-President, good luck and come and tell us you did it.

**President.** — The joint debate is closed.

The motion for a resolution together with the amendments will be put to the vote at the next voting time.

### *3. Parliament's administrative expenditure from 1 January to 31 December 1980*

**President.** — The next item is the report by Mr Price, on behalf of the Committee on Budgetary Control, on

the administrative expenditure of the European Parliament for the period 1 January to 31 December 1980 (Financial year 1980). (Doc. 1-952/80).

I call the rapporteur.

**Mr Price, rapporteur.** — Mr President, this report is prepared in compliance with Article 74 of the Financial Regulation, which requires Parliament to forward to the Commission the information necessary for them to draw up the accounts of the entire Community. It is required to be prepared soon after the end of the financial year, and so traditionally Parliament has not used this occasion for a full review of the effectiveness of its expenditure or the policies upon which its budget is based, but has limited itself to considering the issues which arise directly from the accounts themselves. Nevertheless, when the people of Europe elected us to this Parliament, they trusted us with their votes and they also trusted us with their money. So I think that a few general comments about the size and nature of our budget are called for when presenting the accounts.

The expenditure of Parliament during 1980 totalled 135·1 million European units of account. To put that figure into perspective, it is about half a unit of account per Community citizen for the entire year of 1980. In Sterling, this is the equivalent of a contribution of 27 pence from each person living in the Community to meet Parliament's entire expenditure for 1980. It is slightly more than the cost of one single copy of a daily newspaper, which most people seem to find an acceptable cost 365 days of the year. Even of that figure, however, a substantial part is accounted for by two very special factors affecting the European Parliament. The first is that we work in seven Community languages — six in 1980 — because we are a democratic body: the people of Europe have to be free to choose as their elected representatives whoever they wish, and we cannot expect them to limit their choice to trained linguists. The result is that about 40% of our entire budget is attributable to our language facilities. The second special factor is that we have to work at three separate places. This is not because Parliament has chosen an itinerant existence: on the contrary, Parliament has repeatedly called upon the Member States to fulfil their obligations under the Treaty to fix a single seat for the Institutions. Not only have they failed to do so for more than 23 years, but recently at Maastricht they expressed the hope that Parliament would continue to wander around Europe. This decision was reached in flagrant disregard of the interests of the taxpayers of Europe.

*(Applause)*

But, of course, in pointing out these limitations, I do not suggest that Parliament should be any the less vigilant in its control over its own expenditure. As I remarked earlier, the people of Europe, when they

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entrusted us with their votes, also entrusted us with their money. We must respect that trust by ensuring that we spend their money wisely and use as little of it as is necessary in order to fulfil our functions properly. We must do this not only because we are responsible people, but because we have to put ourselves in a position of virtue if we are to be able to criticize others. This Parliament has important powers of control over the Community budget, but it can only criticize the Commission or argue with the Council if its own house is in order.

The other important reason for limiting our own expenditure carefully is that we have critics who seek every opportunity to divert public attention from what is being achieved by the European Community through this Parliament and its other Institutions by attacking this or that part of Community expenditure. These people have several advantages. The press finds the very allegation of scandal interesting even if it can be disproved. Furthermore, it is very easy to make sweeping allegations in a few striking sentences. It is very much more difficult to answer these allegations, because it usually requires a mass of detail which most of the press simply do not print. Mr President, I have nothing but contempt for critics who behave like this. They are like small boys who throw stones to break windows and then run away before the poor householder can come out and catch them.

I know that this kind of activity is not common in most Member States, but I am particularly mindful of this factor because it is common in my own country. Very often stories emanating from there spread to other parts of the Community, gaining an air of authority through having been published elsewhere, even if their intrinsic value is nil. Clearly we must bear in mind that we should not be diverted from our main task by detractors of this kind, but we are less likely to find ourselves diverted if we exercise vigilant control. The Budgetary Control Committee is one of the instruments of such parliamentary control. In this motion for a resolution, we seek in paragraph 9 to tighten up the existing situation by calling on the Committee on Budgetary Control to examine carefully the implementation of the budget on a regular quarterly basis with a view to ensuring that economy and efficiency in the management of the Parliament's services are secured. This scrutiny is already part of our work, but the committee wishes to ensure that it is put on a more systematic footing.

Now I want to turn to the details of the motion for a resolution itself and the amendments that have been proposed. The first four paragraphs of the motion for a resolution record the figures; they summarize the detailed tables which are contained in the report from page 18 onwards. Then the motion makes comment on these figures. The first point which emerges is that 1980 was a quite untypical year. The budget for 1980 was prepared partly by the old Parliament and partly by the new, directly elected Parliament without any

experience at that time of its needs. Furthermore, the 1980 budget was not adopted until July of that year, with the result that additional staff, needed because Parliament had more than doubled its size and greatly expanded its activities, could not be recruited until the latter part of the year. So 1980 is not in any sense a typical year for parliamentary expenditure.

In paragraph 5, the motion records that these factors led to more one-fifth of the appropriations provided in the budget being cancelled. However, although 1980 was untypical, in paragraph 6 we underline the fact that great care should be taken when drawing up estimates in future years and that only a level of appropriations which is essential to the economic running of Parliament should be sought.

Paragraph 7 deals with the presentation of the accounts, asking for an additional column in Table 2 showing the amounts carried over from the preceding financial year, so that all the available appropriations on each budgetary line can be seen in one table. There are two amendments proposed by Mr Pannella to this paragraph. Amendment No 1 I am against on textual grounds. Amendment No 2 I am more sympathetic to in terms of its objective, but I think its purpose should be attained by having a separate list of transfers appended to the accounts rather than by interposing very complicated matters in the existing Table 2.

Paragraph 8 of the motion draws attention to the fact that one-seventh of the appropriations automatically carried forward from 1979 have been cancelled as unspent. Only those appropriations which are legally committed before the end of the preceding year should be carried forward under the Financial Regulation, and so our administration appears to have been rather generous in their interpretation of this requirement. The motion calls upon them to adhere more closely to the requirement of the Financial Regulation.

Mr Pannella submitted an amendment to this paragraph. In the English version, there is no real difference from the existing text except that it is nine words longer. However, after considering all the other language versions, I see that the correct English translation should be to replace the words by: 'commitment legally and effectively entered into by the end of the financial year'. Again I have some sympathy with Mr Pannella's point, but it seems to add something which I think should be added to the Financial Regulation if at all, and not included in this resolution.

I have already referred to paragraph 9, which makes the scrutiny of the Committee on Budgetary Control more systematic. There is an amendment by Mr Pannella, which would require the committee to consider a report on the implementation of the budget on a monthly rather than a quarterly basis. I would simply reject that amendment as being utterly impracticable and more likely to lead to cursory mention of the figures than to the detailed scrutiny which the

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committee intends to exercise. Finally, paragraph 10 of the resolution emphasizes that Parliament postpone its decisions on the discharge until the administrative expenditure has been verified by the Court of Auditors. In other words, this report is limited in its objectives: when our expenditure has received external scrutiny from the Court of Auditors we shall come back to the financial year of 1980 and consider it in greater depth.

Mr President, I commend the report and the motion for a resolution to the House.

**President.** — I call the group of the European People's Party (Christian-Democratic Group).

**Mr Aigner, chairman of the Committee on Budgetary Control.** — (DE) Mr President, ladies and gentlemen, I should just like to add a few comments. But I will begin by thanking the rapporteur for his presentation of this report. This is not a debate on the giving of a discharge. It concerns accounts that have been presented in compliance with Article 74 of the Financial Regulation. The commentary on this will be given during the debate on the giving of a discharge. But I am very grateful to the rapporteur in particular for taking up the criticism that has recently been levelled at our financial conduct on various occasions.

Mr President, we are subject to no restrictions when determining our own budget. This, of course, imposes on us a duty to make very sure that the budget has been implemented in accordance with the principles of economy, necessity and legality. Mr Price, you yourself know that the tremendous workload has so far prevented us from examining our own budget as we really ought to do. But at the very next part-session we shall be beginning a very close examination of our budget. I believe that we shall then very soon arrive at an assessment.

Mr President, on behalf of my Group I can say that we feel the same about the amendments as the rapporteur. I do not quite understand, Mr Price, what the purpose of your amendment No 3 is. I feel that it too must be rejected, because we have the corresponding wording in the Financial Regulation, and we should stick to that. We still have the opportunity during the conciliation meetings with the Council of making appropriate changes to the Financial Regulation if this is considered necessary. I therefore propose that all the amendments should be rejected, and I should like to express my sincere thanks to the rapporteur once again for the way he has performed this task.

**President.** — I call Mr Robert Jackson.

**Mr R. Jackson.** — Mr President, I am rising to speak in this debate on the Price report for two reasons.

First, because it concerns the European Parliament expenditure for 1980, the year in which I was the rapporteur for the Committee on Budgets, on the Parliament's budget, and second because I believe that the examination of the Parliament's actual pattern of expenditure last year, which this report enables us to undertake, contains an awful warning about the prospects for this year's spending by Parliament and for next year's European Parliament budget which is also now under consideration. I am sorry, Mr President, to be a cuckoo in the nest of harmony that has been expressed so far, but I believe that there are serious criticisms that can be made of the way in which last year's budget was conducted. I hope that the Budgetary Control Committee can follow up these criticisms and that the Court of Auditors will pay due regard. But the real challenge for us all is in relation to future budgets.

Mr President, the basic finding of the Price report is that in 1980 the European Parliament underspent the appropriations provided for that year by no less than 22.3%. The actual out-turn for the European Parliament's spending in 1980 was only three-quarters of the amount appropriated. What does it tell us, Mr President, about the way in which the Parliament manages its own internal finances? In paragraph 9 of the explanatory memorandum which is attached to the report, the rapporteur cites the various excuses which have been advanced by the Parliament's administration. What he has been told, and he has believed it, is that all due to the fact that the 1980 budget was not finally adopted until the middle of the year. Well, Mr President, I do not believe this. The House will note that by far the biggest item of under-spending, some 26 million units of account related to Chapter 11, expenditure on staff. The cause of this under spending was not the lack of finance in the first half of the year. Its cause was plainly and simply the inability of the administration to carry out the necessary recruitment in 1980 for the hundreds of posts which we had improvidently voted for it, an inability which was insistently predicted by the Committee on Budgets and its rapporteur for 1980.

Secondly, Mr President, I ask the House to observe the tables on page 8 of Mr Price's report, which gives a monthly breakdown of expenditure in 1980. This shows that the rhythm of commitments in the first half of the year was in fact higher than in the second half. So much for the suggestion that the cause of the Parliament's underspending of its appropriations in 1980 lies in the late adoption of last year's budget.

Mr President, in spite of what has been said, the course of events last year was alas by no means exceptional in the sorry history of the Parliament's budget. If we go back into earlier years we find even more damning evidence of the way in which our budget had, I am afraid to say, been mismanaged. Look at the 1979 figures. In 1979 144 million units of account was appropriated. How much was actually spent? In 1979

### R. Jackson

only 115 million units of account were actually spent: another 20% underspending of the funds appropriated. And the equivalent figures for 1978 are even worse. Mr President, we must face the fact that the funds of the European Parliament are being grossly mismanaged and the tragedy is that this mismanagement shows every sign of continuing this year and into the future.

Consider for a moment the techniques by which the annual estimates are prepared by the Secretary-General. The method is simple. It consists of taking last years appropriations and adding to it! There is no evidence of any regard for the amount actually spent under each heading; still less is there any regard paid to an objective assessment of concrete and specific needs of each line of expenditure. You only have to look at the complete failure of the administration to respond to Mr Bonde's questions concerning next year's proposed budget to see the vacuum that lies at the heart of the European Parliament's financial management.

Mr President, it is becoming notorious that the European Parliament tolerates for itself budgetary practices which it quite rightly refused to accept in other institutions. No other institutions has a record as bad as ours. The extent of out underspending over the years shows conclusively that there is no shortage of money for any reasonable activity that Parliament might wish to undertake. In fact, every year we have been voting far more than we have been able to spend. The consequence which the Committee on Budgets and its rapporteur and others predicted, most powerfully in 1979, is that the European Parliament's credibility as a budgetary authority has been gravely impaired and our standing with public opinion seriously damaged. Mr President, I and many colleagues around this Chamber who are becoming increasingly concerned in this matter, are dedicated to the European cause and to the success of this Parliament. Let there be no doubt about that. For the sake of that cause, for the sake of this Parliament, let us take a grip on our affairs and let us take it now!

**President.** — I call Mr Leonardi.

**Mr Leonardi.** (*IT*) — Mr President, the study of the budget of an institution like ours serves not only to furnish elements for accounting purposes but also to examine, by means of its expenditures, the principal problems of the institutions itself. If this were not so, there would be no reason for a parliamentary report such as that presented by Mr Price: the work of the Court of Auditors would suffice.

What Mr Price says is certainly true: that is, the items concerning the Members of this Parliament constituted, with more than 3 million EUA's, one of the largest sources of annulment of the appropriations

made. The rapporteur does not point out however that the basic reason for these annulments is that, despite the availability of appropriations over the last year — that is, in the first complete year of the directly elected Parliament — no progress was made on regulating the situation of its Members, most of whom now dedicate their activity wholly to this institution.

We have no wish to compare expenditures for the Members of this Parliament to expenditures earmarked for other items on the budget. We are not interested in scandal. In this area, it would be enough to recall the enormous waste deriving from the plurality of work places, which we, along with many others, hope will be ended in the near future.

Keeping to the subject of expenditures for Members of Parliament, we will point out the almost total lack of expenditure dedicated — I will not say to equal salaries for all — for which a draft statute was formulated a year ago — but at least for a decrease in the enormous disparities existing today. The appropriations which could have been used to reduce these differences in salaries among the Members of a single institution who do the same work have not been used, and have therefore been annulled. On the other hand, the appropriations for Members for secretarial and other similar services were used almost completely; these appropriations, together with different national salaries, increased the disparities among the members of the same institution, who not only perform the same work but who, though very often agreeing on the need for common policies, are apparently unable to agree on salaries a little less divergent, if not precisely the same.

Basically, the new Parliament has retained and even enhanced the tendencies of the old, seeking partial solutions through contributions granted to Members for varying purposes, but making no provisions to assure them of rights basic for any worker, such as health and retirement plans. The resulting situation is unfair, confusing, and costly. It yields itself to scandals of various kinds, yet no effort to correct it was made in 1980.

We wish to insist on the fact that for some time a draft statute for the Members of this Parliament has been available, and that it has made no progress. We do not know when and how an agreement with the Council of Ministers will be reached. Such an agreement might be postponed until the next legislature. In this situation I feel it is necessary to work out solutions within the limits of Parliament's powers, even partial or voluntary ones, to the most urgent problems, such as those concerning health and retirement benefits and legal status, while awaiting an overall solution. Members have the right to a dignified, clear position in the face of public opinion, to which we should probably appeal in order to overcome difficulties raised by certain Member States, using all the means available in our

**Leonardi**

budget, and avoiding annulments such as those which occurred in 1980.

We think that the Price report should have examined these aspects as well, analysing the causes of the non-utilization of appropriations earmarked for members in the 1980 budget. The discharge of the budget of a new Parliament can certainly not take place with observations concerning mere book-keeping, seeking cover from other institutions, like the Court of Auditors, which has no competence in the matter of parliamentary expenditure.

*(Applause from the Communist and Allies Group)*

*(Mr Pannella asked to speak.)*

**President.** — Mr Pannella, your Group has exhausted its speaking time. However since you wish to introduce amendments and since the Rules of Procedure stipulate that amendments must be moved, I shall allow you to speak for one minute.

**Mr Pannella.** — Mr President, your kindness is an exception in this Chamber. For 18 months now I have been calling for the right to move amendments, and this has not been granted to me. I am now able to do so thanks to your kindness. Mr President, I thank you for these few seconds. Mr Jackson's propositions and observations seem very pertinent to me, and if I had had the time, I would have emphasized that it is a budget of the incompetent that we are establishing here. In any case, Mr President, I shall be giving an explanation of vote for three minutes presently.

**President.** — I call Mr Balfe.

**Mr Balfe.** — Mr President, there are a number of points I would like to make in connection with the budget which we are talking about and concerning last year. In fact I have eight separate points which I will try and make briefly.

Firstly, as has already been pointed out, one of the greatest costs of this Parliament is the fact that it meets in three separate places. One of the tests as to whether other people outside this Parliament, and I am thinking particularly of the Council of Ministers, are keen on helping us resolve our problems of expenditure will be the attitude that is taken towards the three working places of Parliament. Whichever place is fixed upon I do not think we can any longer justify a situation in which this Parliament, whether it be as a band of hope or a band of minstrels or, as some have suggested to me, a band of wastrels, moves between three different cities in Europe, and moves behind it a large train of staff, equipment and the like. We are looking to the Council for a much firmer statement than the one which came out of the last European

Summit. After so many years of this institution it is no longer acceptable to tell this institution that the matter will be kept under review. There has got to be some action upon it not only for political reasons but principally for expenditure reasons.

The second point I would like to make is that what has become known in this Parliament as the principle of evening up is probably no longer acceptable. In the early days of the Parliament I think it was acceptable, or it certainly was to our predecessors, that where there were separate practices in separate national civil services, one should always look for the best practice and even up. I do not believe that this is any longer an acceptable automatic practice. The civil service of this Parliament and of this Community is adopting an identity of its own. That identity must leave it in such a position that it is open to public scrutiny. Part of that public scrutiny will undoubtedly be that people are going to take much more interest in the benefits, salaries and conditions of staff and people are rightly going to take a very close look if it is seen that staff of the European Parliament are grossly out of line with the equivalent grades in their own Members States. It is right that they should do so and there is nothing to be ashamed of. As a minor point within that I notice that in the past the Council of Ministers has endorsed the Court of Auditors' point regarding the fact that this Parliament pays a different level of travel expenses to its staff from that which is normally obtainable within the Community and I think this is a matter that will be looked at.

Which leads me on to the third point that we as a Parliament must take notice of. It is now widely accepted in a large number of countries of the EEC that this Parliament and its staff is living too well. I accept that it is very easy for the press to make very easy points about this Parliament but they do have a semblance of truth in them. This Parliament gathered together very quickly to pass the Key report on the expenses of the Commission. One of the first things we did was to look into the expenses of Mr Jenkins and his Cabinet and to attempt to regulate them. I would put it to the Parliament that we cannot have another rule for ourselves and that we must apply the same stringency to ourselves that we applied to the Commission during the time when we considered the Key report. So although there is a need to supply an adequate level of support to Members, we must keep it within reason.

And this leads me on to the next point which I have to make, which is that this Parliament, which often protests about its three working places, is far too fond of making extra-territorial visits outside Brussels. There are far too many Group meetings and committee meetings that are being held on a regular basis outside the seats of the institutions. It is no good protesting that you want one place of work if when you have three places of work you spend a large proportion of your time devising trips to other cities within the

## Balfe

European Communities. There is now a perfectly adequate system of travel allowances for Members who wish to go and investigate problems in Member States. There is nothing at all to stop groups of Members going on fact-finding tours but I would contend that the number of visits sponsored by Groups and committees must be brought under control.

This brings me to the next point, Mr President, namely the transparency of the budget itself. Mr Jackson has made some very good points about last year's budget and the previous budgets. Budgets which are clearly drawn up on, shall we say, an unscientific basis. It is my contention, and I think it would be shared by this Parliament, that this Parliament has a right to know what money is being asked for on its behalf and how that money is being spent. The fact that even your Committee on Budgets finds it so difficult to find out the basic facts of expenditure within this Parliament should be an object lesson to the whole Parliament as to what needs to be done.

On now to the next point: the need for this Parliament to be able subject its own budget to investigation. There is within this Parliament already an established practice of questioning the Commission, of questioning the Council, of questioning the Foreign Ministers. Indeed the only people who are not questioned are the people who are responsible for drawing up and deciding the policies of the budget of this Parliament itself. I put it to the guardians of our parliamentary traditions that they must surely allow the same rules on questioning to apply to themselves as they seek to apply to everybody else.

Which brings me to the final two points. The Group within this Parliament traditionally are funded out of the Parliament's money. A valuable necessity if these Groups are to work. But, Mr President, the Court of Auditors in looking at the 1979 budget did pass some observations as to the use that Groups made of their funds, and especially the use made of money during the time of direct elections. I would hope that the Groups within this Parliament will realize the necessity of shaping their own financial affairs in a way which is able to be subject to professional auditing and professional probit. If this Parliament is not able through its groups to set an example, it will find it difficult through its own self.

Which brings me to the very final point: it has been rightly observed by Mr Jackson that there is a vacuum at the head of this Parliament and of its whole budgetary process. We have seen a regular pattern of underspending in the order of at least 20%. You can certainly get your budget wrong once but to consistently underspend and to consistently draw up budgets on what appears to be a basis of taking last years figure and adding a few percent is not an acceptable approach for a group of people who do at least pretend to be the potential rulers of at least a part of Europe. Although I would not endorse that particular

desire on the part of this Parliament, I would strongly endorse and underline the points that have been put forward about the need for us to bring our own budget under control. Unless we can manage to show the electors of Europe and our own national parliaments and our own Members of Parliament in those Member States that we are as capable of containing and controlling our budget as they are, we will not gain their respect or their cooperation in the other areas of our work.

**President.** — I must now suspend the debate on the Price report until Thursday in order that we may vote.<sup>1</sup>

## 4. Votes<sup>1</sup>

**President.** — The next item is the vote on the *motion for a resolution contained in the Newton Dunn report (Doc. 1-858/80): Protection of workers from harmful exposure to metallic lead and its ionic compound at work.*

A very large number of Members have asked to give explanations of vote. I would remind the House that a vote was already taken on the motion for a resolution and that the results were inconclusive. Explanations of vote were made before that vote was taken. Under the Rules of Procedure I am entitled to refuse any further explanations of vote, however, in view of the long lists of people I have decided to allow short explanations.

I call Mr Collins.

**Mr Collins, Chairman of the Committee on the environment, public health and consumer protection.** — On what I consider to be a point of order, Mr President, I should be grateful if you would make it clear to Parliament, before we start even on an explanation of vote, whether or not we are going to be able to vote on this article by article. This is a very technical matter and the reason it fell foul of Parliament the last time was that there was a misunderstanding between the Presidency and the Members, and people then voted and ended up with contradictory clauses in the final resolution. I would be grateful, Mr President, if you would rule that this time we shall be allowed to vote on it article by article. That will make it possible for people to express their views more clearly and for Parliament to arrive at a decision today. It is very important that we arrive at a decision today because the Commission is hoping to bring this to the Council

<sup>1</sup> Only those parts of the voting procedure which gave rise to speeches are reproduced in the Report of Proceedings. A detailed account of the vote is recorded in the Minutes.

**Collins**

in June. If we do not arrive at a definitive statement today then this may not be possible, so I would ask you, Mr President, to rule in this particular way.

**President.** — I will ask the rapporteur, but in my opinion we can vote by division on the resolution. It is not possible to do so on the directive. But I call Mr Newton Dunn on this point.

**Mr Newton Dunn.** — Yes, Mr President, on this exact point I support Mr Collins, the chairman of the committee. This Parliament has at no time had the chance to vote article by article on the committee's report. It is essential that Parliament seizes the chance to do that. Otherwise it will be lost. I believe Mr Collins is right.

**President.** — I call Mr Sherlock.

**Mr Sherlock.** — I would like to ask for one further ruling, if indeed we are going to proceed on the articles and vote on each in turn. If any amended article falls because it is voted out will the original Commission text be restored in its place?

**President.** — I think there is a misunderstanding. We are not voting article by article on the directive. We are voting article by article on the resolution. Otherwise we should get the same problem.

I call Mr Collins.

**Mr Collins.** — I am sorry, Mr President, but this is exactly where the whole situation went wrong the last time. This is a very technical resolution and if you look at Article 6 and Article 8 these have to remain consistent and we really must give Parliament the opportunity to vote on these. I can tell you now that my information is that there are Groups in this Parliament who, unless they are allowed to vote on this article by article, will vote the whole thing down. Mr Newton Dunn was elected rapporteur on this some sixteen months ago and the Commission has been waiting sixteen months for this to go through Parliament. Now it cannot be allowed to wait any longer. Unless we are prepared to allow this article by article vote then we will lose this today. I can tell you that. It will not get to the Council and the Commission will again have reason to condemn Parliament for its slowness. I appeal to you, therefore, to break with tradition and break with your advisers there who were trying to persuade you just now that I am wrong. Break with these advisers and vote on this article by article. I appeal to you to do that.

**President.** — I call Sir James Scott-Hopkins.

**Sir James Scott-Hopkins.** — Mr President, surely where the articles are being changed, as they are in this resolution as has been pointed out by the chairman of the committees and my honourable friend as well, surely we should be voting on those articles separately one after the other. This would seem to me to be a logical conclusion. It is in the report there is no reason why we should not take it article by article, if in point of fact they are being changed or recommended to be changed. Therefore I would have thought it would have made the job of the chair much easier if, as is our normal practice, we vote to start off with the directive before we go on to the actual report by the honourable gentlemen himself.

So first of all, if I may suggest it to you, we should vote on the articles, article by article as is laid out in this report here where the changes are, and then after that we should then go on to the actual report itself. That would seem to be logical and that would seem to be the right way of going about things.

**President.** — I have a complicated problem here. We have voted on the directive and we have adopted the directive . . .

**Sir James Scott-Hopkins.** — Mr President we haven't done so. We have had the debate and we have had all the amendments moved, but that is as far as we have got. Now we are actually voting. This is why both the honourable gentlemen who is the chairman of the committee and my honourable friend have been asking for these separate votes on the articles which are being changed. That is implicit in the actual resolution of my honourable friend, Mr Newton Dunn.

**President.** — All right, we shall vote article by article, however, we run certain risks if we do so. We may have to do so again, but that is Parliament's own inconsistency; that is not my worry.

Members may now give explanations of vote. I call Mr Sherlock.

**Mr Sherlock.** — Mr President, the explanation which I shall deliver is largely given in case we should fail in what you have now allowed us to do, at least I think you are allowing us to do it. The last time this was considered there was a written application by the rapporteur to take it clause by clause, article by article. It was unfortunate that the President appeared to have a plane to catch that day and took it a gallop and we did not, as the leader of my Group has said, have an opportunity to consider each clause.

If we fail to amend the offending clauses, my Group, and I hope everyone else in this Parliament, will vote against the directive as a whole because it is a nonsense. It sets standards which are unattainable by

**Sherlock**

industry. It sets at least one measured standard in ALAU which is not reliably measurable. It would not be accepted by, as far as I can make out, any one of the ten member governments. I wonder, Mr President, if you could perhaps shut up some of the House, because what I am saying is well worth listening to.

*(Applause and cries of 'hear, hear')*

It is your environment or the environment of the working people of this Community we are talking about. Why can't you give it the same degree of seriousness as potential assassination in Uruguay, about which you can do nothing. Why can't you even give it the same seriousness that a dozen or so people gave this afternoon to the Multifibre Agreement. If you do the wrong thing on the Multifibre Agreement you might lead to unemployment in the Community. If you do the wrong thing on lead and on the limit values proposed in the amendments you will for practical purposes create at least half a million unemployed in the Community by shutting down the entire lead smelting and refining side of the industry this side of the iron curtain. You have been nattering about a few jobs this afternoon, but think for a little longer and listen to me about a few more. We must amend this directive. If we fail to amend the relevant figures and restore, in my opinion, the sense which was shown by the Commission when they made their original proposals; if we fail to get back nearer to the Commission's figures, I shall commend my Group and all the rest of you to vote against this report in its entirety.

**President.** — I call Mrs Maij-Weggen.

**Mrs Maij-Weggen.** — *(NL)* Mr President, I shall be voting in favour of the corrected Newton-Dunn report, and many of my Group will be doing the same. The Newton-Dunn report now advocates the equal treatment of male and female workers as regards protection against the dangers inherent in lead. Equal treatment is very important for two reasons.

Firstly, the introduction of more stringent rules on the protection of women than of men would result in an enormous number of women losing their jobs in many industries. We cannot accept that, particularly as unemployment among women is already far higher than among men.

Secondly, the danger of lead is the same for men as for women. But as the unborn child is particularly vulnerable to the dangers of exposure to lead, there is a tendency to provide additional protection for women alone. That is not right because damage caused by lead both to the woman's ovum and to the man's spermatozoon can result in an embryo developing into a handicapped child. The only difference is that it is far easier to provide legal evidence in the case of women than in the case of men.

Both the European trade union movements and major medical organizations have therefore advocated that a safe level of values should apply to men and women. I can say that the Netherlands will certainly not be protesting against these values because they are already being applied in my country, Mr Sherlock, and so in one of the ten Member States even now. In addition, I must point out that industry has ten years in which to adjust to this arrangement. We are in favour of this directive. It is a good proposal. A significant proportion of my Group will be voting in favour.

**President.** — I call Mr Ceravolo.

**Mr Ceravolo.** — *(IT)* Mr President, ladies and gentlemen, I would like to draw the attention of this Assembly to the general meaning which this vote may have. There are two problems which should be borne in mind by those who wish to vote against this directive, particularly with regard to the problems of discrimination between men and women. Two months ago this Chamber approved by a large majority an amendment to the resolution on the position of women in the Community which forbids discrimination between men and women in the work place. It would be very serious if we, at the first practical opportunity, introduced discrimination which could mean lay-offs and non-hiring of women in certain areas of production. I think that Parliament does not want to create such a paradox. It is impossible to approve general principles and then betray these principles in particular cases.

The second problem is a very serious one. We are facing a technical problem: the large scientific organizations, the World Health Organization, and a recent congress of specialists in industrial medicine have acquired knowledge regarding the levels of lead in the blood affecting the safety of workers. It seems strange to me that, after the Committee on Environmental Protection had been informed of these authoritative findings, some members, for reasons not based on these technical factors, voted against the proposal to lower the level of lead content to be allowed in the blood of workers. This seems to me to be a very serious technical and political discrepancy. After having so frequently affirmed that the health of workers is of central interest to the Community, it would seem to me that in practice we are virtually abandoning this stand in favour of economic interests. This would be a serious contradiction which would lower the prestige of our Parliament. This question does not present problems of political opinion — it is simply necessary to be consistent with the scientific findings of the health organizations.

This is why I hope that the members will not act against the workers; the unions have already called Parliament's attention to the matter; let us put the health of the workers first, even if some uncertainties remain.

**President.** — I call Mr Ghergo.

**Mr Ghergo.** — *(IT)* Mr President, most of my Group will vote in favour of this motion for a resolution for very concrete reasons. In Italy, out of 3 000 cases of lead poisoning diagnosed within a 12-month period, approximately 30% of the persons affected had blood lead contents of less than the maximum level proposed by the Commission.

The Italian industrial medicine society in a study conducted over a period of 10 years and in which professor Berlin of the health bureau of the European Community also collaborated, identified three levels of lead and ALAU in the blood. These three levels are called, respectively, non-intervention, surveillance, and intervention, and they refer to the following figures: for non-intervention, up to 40 mcg blood lead content, up to 60 mcg for surveillance, and up to 70 mcg for intervention. At this level the Commission has determined that the worker should no longer stay on the job. The figure proposed by the Commission is precisely 70. Parliament, with its social sensitivity, can hardly propose a safety limit which eminent scientists have determined to be dangerous. Not a single document has been advanced from any doctor or scientific institute saying that 70 mcg of lead in the blood and 0.0006 of ALAU are tolerable without damage to the human organism. For this reason I will vote in favour, hoping that Parliament will share this position and give further proof of its social sensitivity.

*(Applause from the centre)*

**President.** — I call Mr Kappos.

**Mr Kappos.** — *(GR)* Mr President, bearing in mind the situation in Greece with regard to protection from industrial diseases, I consider the content of the resolution and the report to be very positive.

Mr President, since the report does not refer to the situation in Greece and since I took no part in the discussion on the proposal I should like to state very briefly what the situation in Greece is.

Mr President, I have to say that the general situation as regards protection of workers from industrial diseases is totally unacceptable and particularly so in the case of lead. Suffice it to say that no measures for the protection of workers have been taken, no measurements of the pollution in the working environment and atmosphere have been made, and, as confirmed by the International Labour Office, no statistics on industrial diseases in Greece are being kept. Thus workers, in total ignorance, are being exposed to the effects of dangerous substances which amounts to slow death. Employers are killing workers without being called to account and without being

viewed as murderers because there is profit at stake. As regards lead, private organizations carried out measurements in 1979 in the area of Tauros near the centre of Athens. These measurements showed that the concentration of lead was between 7 and 8 microgrammes per cubic metre, in other words way above internationally accepted levels. The situation must be the same or even worse in steel foundries, battery factories, mines and other workplaces where lead is processed. Likewise in Thessalonika, there is a multinational company, ETHYL, where there are often explosions.

(...)

**President.** — I am sorry to have to cut you off, but you have used up your speaking time.

I call Mrs Scrivener.

**Mrs Scrivener.** — *(FR)* In this matter, which, as we see, is very technical and extremely difficult and on which it is not easy to obtain completely reliable scientific opinions, my group will be supporting the Commission's proposal, and it will be opposing the amendments proposed in the report, particularly those seeking to fix the rate of emitted lead. At present, this rate cannot be measured. Of course, we are in favour of protection, but proper protection which — as I have said during other debates of this kind — consists in making a satisfactory evaluation and guaranteeing what is measured. We shall therefore be voting in favour of the Commission's proposal.

**President.** — I call Mrs Hammerich.

**Mrs Hammerich.** — *(DA)* The vote which we are now going to have on the directive on lead is somewhat problematic, since no one knows as yet what the final version of the proposal for a directive will look like. At the moment, a working party of officials from the Council and the Commission is discussing the directive, and it is not even certain that the working party will have completed its discussions before the Council of Ministers for Labour meets in June. The Danish representatives in this working party have the attitude of the trade union movement to the directive on lead to use as a guideline. The trade union movement is calling for:

1. health surveillance to be made voluntary, so that it cannot be used as a means of grading the workforce;
2. a guarantee that men and women will be treated equally;
3. the limit values to be substantially reduced.

### Hammerich

The limit values contained in the proposal for a directive are wholly inadequate, and it is questionable whether one should play any part in drawing up rules on the working environment which are a health hazard in themselves.

Let us take the hygiene standards, for example the limit value for lead dust in the air. In Denmark, we have a standard of 100 micrograms per cubic metre of air. The proposal in the directive — and this report raises no objection — is for a limit of 150 micrograms until 1985 or 1989, and of 100 micrograms thereafter. By way of comparison, it is worth mentioning that the standard in Japan is 50 micrograms per cubic metre, a target which the USA is also working towards, while in the Soviet Union it is 10 micrograms per cubic metre of air.

As regards the biological limit values, there are two points to be made: firstly, the Danish trade union movement strongly resents the fact that the directive provides for the monitoring of a worker's body, which is thus being used as a measuring instrument, rather than for effective improvements in the environment. Secondly, the limit values contained in the directive are extremely unsatisfactory, since the latest research in industrial medicine indicates that to be on the safe side, the limit should be reduced to 30 micrograms for both men and women.

But why do we object to this directive, when it merely lays down the minimum requirements? We are afraid that in the long run, even these minimum requirements will undermine our legislation on the environment, particularly at a time of crisis, when industries are looking to cut down their production costs because of the need to be competitive. Strict requirements for the working environment make production more expensive, and in this context a weak EEC directive such as this one on lead can be used as a lever, so that what it actually sets are maximum levels. This year, Danish legislation on the environment is to be supplemented with just such specific provisions, and there is a justified fear that the Community will exercise an unwelcome influence.

As far as we are concerned, it is undesirable for the Community to have authority in this area. We have frequently said that membership of the Community entails a decline in democracy, and so for these and several other reasons we shall abstain from voting on this proposal.

**President.** — I call Mr Adam.

**Mr Adam.** — Mr President, I shall be voting for the amended directives and for the resolution as will the Socialist Group and I hope that this will have the support of the Parliament. There are two principles that are enshrined in the final version, one is equal

treatment for men and women and the second is that we should try to achieve the highest possible standards of safety in the working environment. Dr Sherlock earlier said that the amendments were nonsense. I would submit that the nonsense today was talked by him! Everybody knows that these limits are difficult to achieve, but this does not make them any less desirable. If Members read the amendments carefully, they will see that there are five years in which industry has available to achieve these standards. We know that they cannot be achieved today, but we have a duty to set standards for increased safety in industrial matters for the future. If we look at Article 9 we shall see that there is a further five years for exceptional circumstances. So the problem of any possible unemployment cannot arise for at least ten years. And it is very misleading and indeed mischievous of Dr Sherlock to raise that issue this afternoon.

There has been a great deal of lobbying by the commercial interests in this case. I hope that Parliament will show that the working environment is the interest to which we are going to respond.

**President.** — We shall now vote on the motion for a resolution. Several Members have asked that we should vote article by article. I can only put the amendments tabled by the House to the vote.

(...)

#### Article 6

**President.** — I call Mrs Kellett-Bowman on a point of order.

**Mrs Kellett-Bowman.** — There are a number of people outside who do not in fact know that the vote has started. This is the point of order I wished to raise.

#### Article 7

**President.** — I call Mr Sherlock.

**Mr Sherlock.** — I know you agree that in general you are taking the document article by article, but the next article on which we have to vote contains two very different matters. There is provision B to which I am sure every one in this room could quite faithfully subscribe. It does, of course, represent the law in the United Kingdom at the moment, apart from anything else that might commend it. But part A bears such a close resemblance in its recommendations to the part which we have just voted down, that I suggest we should give Parliament the opportunity of separating them.

**President.** — I think your suggestion is reasonable, namely that we split the amendments on paragraph 7 into amendments 7 (a) and 7 (b).

(...)

*Article 13*

**Mr Sherlock.** — I would point out that despite the schizophrenia which is manifesting itself at the moment, that this refers back to the paragraph we have just voted against. Just in case anybody else happens to have read it, that is.

**President.** — I call Mr Rogers on a point of order.

**Mr Rogers.** — Thank you Mr President. I just wondered who the rapporteur on this report was.

(...)

*(Parliament adopted the resolution)*

**President.** — I have still one request for explanation of vote after the vote on the resolution.

I call Mrs Roudy.

**Mrs Roudy.** — *(FR)* I shall be very brief, Mr President. I simply wish to say that the text submitted to us by the Commission quite obviously contained discriminatory provisions which were absolutely incompatible with our principles and the votes we have previously taken and which dealt too lightly with the health of workers. Some of us here wanted to put the profits of the industrialists before the health of the workers and the protection of employment. It is to be hoped that the Council, in its wisdom, will for its part listen to the workers' demands and that it will allow itself to be guided by a sense of justice.

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**President.** — We shall now consider the *Gaspard report (Doc. 1-72/81): Waiving of parliamentary immunity.*

I call Mr Pannella.

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**President.** — We shall now consider the *motion for a resolution contained in the Gaspard report (Doc. 1-72/81): Request to waive the immunity of a Member.*

I call Mr Pannella.

**Mr Pannella.** — *(FR)* Mr President, in agreement with the chairman of the Legal Affairs Committee, I withdraw the amendment, the enlarged Bureau having been warned of this, so as to avoid creating a precedent one way or the other. I shall explain in an explanation of vote, but I am withdrawing my amendment because this matter really should be studied in greater depth.

**President.** — I call Mr Ferri.

**Mr Ferri, chairman of the Legal Affairs Committee.** — *(IT)* Mr President, since this question can obviously not be the subject of an agreement between Mr Pannella and myself alone, it is my duty to say to the Assembly that, although I retain my point of view, which is also that of the entire Legal Affairs Committee, I also realize that the problem should be precisely defined in the Rules. I therefore suggest to Parliament that it accept Mr Pannella's decision to withdraw his amendment, leaving the procedural question unprejudiced.

**President.** — I call the rapporteur.

**Mrs Gaspard, rapporteur.** — Mr President, although our and Mr Pannella's opinions differ on this subject, I thank him for withdrawing his amendment. I feel it is better that way. As I said yesterday in connection with a fresh case, one that is still under consideration, it is time that the Legal Affairs Committee, which has already done some work on this subject, the Committee on Rules of Procedure and Petitions and Parliament looked closely at the procedure for waiving parliamentary immunity, and once again I hope that, like the Legal Affairs committee, this Parliament will unanimously approve the text we have proposed.

**President.** — I call Mr Muntingh.

**Mr Muntingh.** — *(NL)* Mr President, I have just heard you ask: 'Has everybody voted?' then I heard you say: 'The vote est clos'. I began to wonder what language you were speaking. That was a question.

If I were an interpreter, I would now be thinking about going on strike again.

**President.** — I call Mr Nyborg.

**Mr Nyborg, chairman of the Committee on the Rules of Procedure and Petitions.** — *(DK)* Mr President, I would just like to inform you that the Committee on

**Nyborg**

the Rules of Procedure and Petitions held an extraordinary meeting today, at which we reached the same conclusion as the Legal Affairs Committee, which Mr Ferri has just expressed so very well. In his speech, Mr Ferri said that an amendment to the Rules of Procedure was required, and we shall consider this at the appropriate time; in the meantime, however, the Committee on the Rules of Procedure and Petitions will draw up a footnote to Rule 51. We are in complete agreement with the Legal Affairs Committee as to the interpretation of the Rules of Procedure.

**President.** — I call Mr Pannella.

**Mr Pannella.** — (FR) Mr President, I asked for the floor to give an explanation of vote on the Gaspard report.

**President.** — Mr Pannella, I thought that the statement you made a moment ago was in fact an explanation of vote. You now inform me that you were simply withdrawing the amendment.

I shall allow you to speak for one minute on an explanation of vote.

**Mr Pannella.** — (FR) Mr President, I have voted in favour of this resolution. It creates an important precedent. I believe that Mr Gouthier could not be penalized in any way for the act attributed to him. He was simply exercising his rights not only as a parliamentarian but also as a citizen, and he did so — if I may briefly refer to the heart of the matter — by adopting an attitude for which he has my congratulations. Having said that, Mr President, I believe that we must be very careful in the future. In Italy the public increasingly feel that the Italian Parliament may well be covering up, through the institution of parliamentary immunity, many cases of scandalous conduct: cases of corruption and so on. Although I have therefore agreed to vote in favour of this resolution and the excellent report, I do feel, Mr President, that we must always be sure that the act which is the subject of the accusation is of a political nature and that an attempt is being made to encroach upon the rights of a parliamentarian through the application of the penal code. On the other hand, Mr President, we must take great care in the future to avoid the danger to which Italy has succumbed of using parliamentary immunity to cover up acts which are subject to the law of the land, of creating immunity for crimes that are subject to the law of the land, as is happening in Italy and perhaps elsewhere.

**President.** — We shall now consider the *motion for a resolution contained in the Woltjer report (Doc. 1-953/80): Sale of agricultural products on board ships.*

Amendment No 1 by Mr Curry has been withdrawn.

I call Mr Luster for an explanation of vote.

**Mr Luster.** — (DE) Mr President, what I have to say I am also saying on behalf of Mr von Hassel, who was very emphatic this morning in his opposition of the report. I too call on the House to reject the report for the following reasons: the butter-ships, as they are known, operate in the weak peripheral areas of the Federal Republic of Germany, for example. For one thing, they increase the tourist trade, one of the most important sources of income in these areas. For another, the people making these trips are for the most part pensioners, including some from my home town of Berlin, taking advantage of what is for them an important source of cheap goods.

These butter-ships have been a real help to these areas and to these people for some thirty years. In the northernmost *Land* of the Federal Republic alone 2 000 jobs depend on these small excursion boats, the suppliers, the repair yards and the bus companies. The pensioners and small-wage-earners concerned would suffer unnecessarily if the report was adopted. Furthermore, the question of duty-free shops would also have to be raised. Finally, it would be completely incomprehensible if citizens of the Community in the peripheral areas were not allowed to buy foodstuffs cheaply when it is remembered that our resources have been used in the past to supply cheap foodstuffs in large quantities to the Eastern bloc countries, which take a negative view of the development of the European Community.

**President.** — I call Mr Van Minnen.

**Mr Van Minnen.** — (NL) Mr President, I should like to say why I shall be voting in favour of these butter-ships being prohibited. This is admittedly a small, but a very clear test of basic European principles. It is unacceptable that the system of agricultural refunds should be used to create a new form of Regional Fund in disguise. It must be made clear that we take very seriously our contention that we are seeking European efficiency and European thrift. I feel that anyone who claims to be opposed to the improper use of the European agricultural funds should vote for the elimination of this abuse.

(Parliament adopted the resolution.)

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**President.** — Earlier today I was prepared to allow a vote to be taken on the Welsh report, but in view of the number of amendments and the time required for the vote that is not possible. That means that the vote will have to be held over until Thursday.

I call Mr Welsh.

**Mr Welsh.** — With regard to your ruling on my report, I would earnestly ask you to consider it very carefully indeed. I absolutely understand we cannot have the vote now. However, Mr President, as you will know, we have been struggling for months to produce this report out in time to influence the Commission in its decision which is going to be taken tomorrow afternoon. Umpteen speakers today have stressed how very important it is. I understand it cannot be taken now, but I do not understand why it cannot be taken some time tomorrow morning.

*(Applause)*

I appeal to you, Mr President, if you have any respect for the authority of this House; if you have any wish to see its views taken seriously, that we will not let ourselves be cheated at the last hurdle by a small procedural problem and you will insist that we have the vote sometime at your convenience tomorrow morning.

**President.** — Mr Welsh, I appreciate your problem. However my problem as President is that the House adopted the agenda on Monday. There is no provision for a vote tomorrow. That means that I have to rule that the vote can only be taken on Thursday.

I call Sir James Scott-Hopkins.

**Sir James Scott-Hopkins.** — As you are not prepared, Mr President, to put it on tomorrow's agenda may I ask the House, with your permission, that we should vote on it now?

**President.** — I am grateful to Sir James for his suggestion. This will enable us to lighten the agenda since a vote on Thursday could have held up other votes. I am therefore particularly grateful to Sir James for proposing this solution.

We shall now consider the *motion for a resolution contained in the Welsh report (Doc. 1-61/81): Renewal of the Multifibre Arrangement.*

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*After the first indent of the preamble — Amendment No 17*

**Mr Welsh, rapporteur.** — I am against this amendment which was rejected in the committee. The reason is that it implies that the Multifibre Arrangement applies to all importing countries, whereas of course it only applies to a few.

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*8th indent of the preamble — Amendment No 18*

**Mr Welsh, rapporteur.** — Mr President, this again was rejected in committee, and of course under the Treaty it is impossible for the Commission to give such an undertaking. Therefore I am against the amendment.

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*After the 9th indent of the preamble — Amendment No 10*

**Mr Welsh, rapporteur.** — Mr President, the committee did not discuss this precise point and therefore I leave it to the good judgment of the House.

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*After paragraph 1 — Amendments Nos 40, 41 and 42*

**Mr Welsh, rapporteur.** — I am against Amendment No 40, Mr President, because I feel that the general point is already covered in paragraph 6 of the resolution and as it is phrased here it is not relevant to the text.

41 and 42 I am against.

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*Paragraph 3 — Amendments Nos 5, 19 and 37*

**Mr Welsh, rapporteur.** — I am against No 5, Mr President. I am against No 37 and I feel that No 19, which is very close to the present text, should be left to the judgment of the House.

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*Paragraph 4 — Amendments Nos 34, 3, 20, 38 and 14<sup>1</sup>*

<sup>1</sup> Withdrawn.

**Mr Welsh, rapporteur.** — Mr President, I leave Amendment No 38 to the judgment of the House as it is in fact rather similar to the existing text. I am against Amendment No 20 because, if carried, it would weaken, not strengthen, the Commission's negotiating position. I am against Amendment No 34 because it was rejected in committee and I am against Amendment No 3 because I believe, again, that the general point was covered in the text.

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*Paragraph 5 — Amendment No 31*

**Mr Welsh, rapporteur.** — I am against, Mr President, because I believe that it is not relevant to this particular motion for a resolution.

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*Paragraph 6 — Amendments Nos 7 and 21*

**Mr Welsh, rapporteur.** — I am against, No 7, Mr President. No 21 actually adds the words 'in particular' to the English text, and I feel that people feel sufficiently strongly about that they should be allowed to vote for it, and therefore I leave it to your judgment.

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*After paragraph 6 — Amendments Nos 6, 44 and 45*

**Mr Welsh, rapporteur.** — I am against, No 6, Mr President. I believe that the committee would accept No 44, so I can be in favour of that. As for No 45, I am against it because, as Mr Haferkamp explained, it is quite impracticable.

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*Paragraph 7 — Amendments Nos 8, 22 and 46*

**Mr Welsh, rapporteur.** — I am against all three, Mr President. They are all rejected by the committee.

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*Paragraph 8 — Amendments Nos 23 and 1*

**Mr Welsh, rapporteur.** — Mr President, essentially both these amendments are the same as No 22, which the House has just rejected and therefore I am against both these amendments.

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*After paragraph 8 — Amendment No 24*

**Mr Welsh, rapporteur.** — I am against, Mr President, but I believe it is actually covered by paragraph 14.

*(The vote, which was taken electronically, proved to be defective)*

**President.** — I think we should vote again since I feel that some Members pressed their buttons before the ballot was open. According to the machine only fifty Members voted.

I call Mr Israel.

**Mr Israel.** — (FR) Something was wrong during the last vote too, because only one abstention was recorded whereas at least ten of us abstained. I call for a very careful check of all this.

**President.** — Clearly the machine is not working properly. . . or perhaps it is the Members!

I call Mr Van Minnen.

**Mr Van Minnen.** — (NL) Can the Presidency perhaps inform us exactly how it tells at what moment the system is refusing to work and at what moment it is again working perfectly reliably? How do you check this?

**President.** — Mr Van Minnen it appears that a number of Members did not wait until the orange light came on and thought that they had voted although that was not the case. That is not the fault of the machine but of the Members who did not look carefully. We shall therefore have to vote again.

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*Paragraph 10 — Amendment No 25*

**Mr Welsh, rapporteur.** — I am against, Mr President, because I feel this is already covered by the text.

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*After paragraph 10 — Amendments No 32*

**Mr Welsh, rapporteur.** — Mr President, No 32 is a difficult amendment. I think that before voting for it Members should be aware that the Community countries themselves are in a very vulnerable position as regards the ILO Conventions. The UK has actually ratified five, so has Hong Kong. Hong Kong would actually like to ratify two more but they cannot because the UK has not.

France has ratified, I believe, six. Italy seven. I do not think we are in a very good position to lecture developing countries on the ILO Conventions.

Having said that, I think it must now be left to the political judgment of the House so I will make no further comment.

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*Paragraph 11 — Amendment No 26*

**Mr Welsh.** — I am against, Mr President, because I believe it is already covered by the text.

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*Paragraph 12 — Amendment No 27*

**Mr Welsh, rapporteur.** — Mr President, this was moved in committee and rejected and I am therefore against it.

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*Paragraph 12*

**President.** — I call Mr Pannella.

**Mr Pannella.** — (FR) Mr President, on behalf of my Group I request a vote by roll call on paragraph 12. It is solely a question of helping Turkey once again. Yugoslavia has nothing to do with this, because the Community has already concluded other agreements with it.

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*Paragraph 13 — Amendments Nos 15 and 2*

**Mr Welsh, rapporteur.** — I personally prefer Mr Pininfarina's version, which I commend to the House, and therefore I would have to be against that of Mrs Pruvot.

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*After paragraph 13 — Amendments Nos 11 and 33*

**Mr Welsh, rapporteur.** — Mr President, on Amendment No 11 the committee did not establish a position on this and therefore I would leave it to the judgment of the House but I understand that the first two paragraphs have in fact been withdrawn by the movers and only paragraphs 13 (c) and 13 (d) are left.

On Amendment No 33 I believe this is basically a matter of conscience and political judgment and therefore I leave it to the House to decide.

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*Paragraph 14 — Amendment No 28*

**Mr Welsh, rapporteur.** — This was rejected in committee, Mr President. Therefore I am against.

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*After paragraph 14 — Amendments Nos 12, 29 and 36*

**Mr Welsh, rapporteur.** — As regards Amendment No 12, Mr President, I do not believe that this has anything particularly to do with the resolution and it was in any case rejected in committee.

As regards Amendment No 36, I believe this a matter for the judgment of the House because I do not think it adds to or subtracts very much from the main resolution and as regards Amendment No 29, I am against.

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*After paragraph 17 — Amendment No 13*

**Mr Welsh, rapporteur.** — Mr President, I do not believe that this particular amendment, worthy though it is, has any thing to do with the motion for a resolution and therefore I am against it.

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*Paragraph 18 — Amendment No 30<sup>1</sup>*

**Mr Filippi.** — (FR) I withdraw my amendment, Mr President.

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*After paragraph 18 — Amendment No 39/rev.*

**Mr Welsh, rapporteur.** — Mr President, this amendment was originally tabled, I understand, as a motion for a resolution to wind up the debate on the Oral Question tabled by the Socialist Group. The European Democratic Group also tabled a motion to wind up that particular debate. It was understood because of procedural problems that those two motions could not be voted on in the form in which they were originally tabled. The European Democratic Group therefore withdrew their particular motion. I would ask the Socialist Group most sincerely if they would not now consider also withdrawing theirs, the reason I ask them to do this is simply that whatever one may think of the sentiments expressed, the fact is that they go way beyond the subject matter of this particular report. It was discussed in the committee and I do not feel it is directly relevant to the rather tight resolution we have now produced and therefore I would be against it. I would frankly think the less of Mr Glinne and his friends if he did not feel able to withdraw it.

**President.** — I call Mr Martinet.

**Mr Martinet.** — (FR) Mr President, this is clearly a motion for a resolution, not an amendment, as I explained this morning. We agreed in the Committee on External Economic Relations to table amendments to Mr Welsh's text, but the European Democratic Group and the Socialist Group reserved the right to go further, with each tabling a motion for a resolution. Mr Welsh's text is regarded as an acceptable general basis, but we feel that various important points have not been and could not be dealt with in it. We therefore decided that we should table a resolution. I personally am opposed to this text being tabled as an amendment because it is enough to read it to realize that it is not an amendment. But I would like to see this text put to the vote as a motion for a resolution. I really do not understand why the Presidency has had this motion for a resolution distributed under the heading of 'amendment'. As an amendment, therefore, I withdraw it, but I insist that this text be put to the vote as a motion for a resolution.

**President.** — In other words, Mr Martinet, you have withdrawn the amendment.

**Mr Martinet.** — (FR) As an amendment, yes.

**President.** — Mr Martinet your text has therefore been withdrawn since I cannot put the resolution to the vote while the present vote is being taken. The House would have to take a fresh vote on the matter. The vote on the Welsh report is closed without putting your resolution to the vote.

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**President.** — I can now only take explanations of vote.

I call Mr Pininfarina.

**Mr Pininfarina.** — (IT) Mr President, ladies and gentlemen, in these last few years the effective evolution of trade in textile and clothing products has weakened the position of the Community in respect to non-Community countries. Not only has the penetration rate of textile imports increased in the EEC from 30% in 1977 to 40% today, but it has also been impossible to find adequate compensation for the European textile and clothing industries through exports. In this situation, and until a true freedom of exchange on the international level and a full reciprocity in the conditions applied by the various countries regarding textile trade are achieved, the Multifibre Arrangement must continue its regulatory activity. It is necessary to avoid, in the developing countries, a further, dangerous push towards industrialization polarized solely around the textile sector. At the same time in the industrialized countries, particularly in the EEC, the balance of payments deficit and the unemployment rate cannot be further increased. Therefore, while it is right to adopt a more open policy toward preferential countries, we must not allow a disruption of the Community market through anomalous and rapidly increasing imports, which are contrary to the most elementary principles of the Multifibre Arrangement.

It should be remembered that the Mediterranean preferential countries themselves have underwritten general agreements containing safeguard clauses. This is why I deemed it necessary to present an amendment to paragraph 13 of the Welsh report, since it would not do to make a reference to 1973. The text of the agreement signed in that year is anachronistic, untenable, and it is in fact impossible to assert that, from 1973 to 1977, the multifibre arrangement has been a success. Should the interpretation of the arrangement's legal texts allow the pursuit of the objectives set down in the Parliament's resolution, it will not be necessary

<sup>1</sup> Amendment No 16 by Mrs Peuset was withdrawn.

**Pininfarina**

to modify these texts, but if the various contracting parties do not agree on the interpretation desired by the Community, the latter will have to insist firmly on modifications in the text of the agreement.

In conclusion, Mr President, on the whole I am favourable to Mr Welsh's report.

**President.** — I call Mr Bonaccini.

**Mr Bonaccini.** — *(IT)* Mr President, I will use less than my three minutes, for the debate has confirmed all our reservations: at the end of this debate, Commissioner Haferkamp told us that it was only a question of dealing with the problems involved in the negotiations, while Commissioner Davignon told us this morning that we were to discuss the global issues of the textile industry.

Therefore, we will vote against, for three basic reasons. First, our vote is meant to be a stimulus and a control on an extremely serious problem, which we will discuss again in the coming months. Second, this debate has limited our objectives. Third, it has allowed a certain majority to assume a scandalous attitude on the Turkish question. I must say that our approach would have been different if certain of the amendments tabled by members from other political groups — those by Mr Filippi and others and the last one, unfortunately withdrawn by Mr Martinet — had been voted on.

**President.** — I call Mrs Kellett-Bowman.

**Mrs Kellett-Bowman.** — Mr President, there is much of interest in this report, but it has two serious flaws. It lacks a balance of fairness and it ignores in the resolution, which is the important part, the need for the proper policing and monitoring of trade flows to which, surprisingly, the rapporteur made no reference in his opening remarks and which he actually said while we were voting, was not relevant to the resolution. Surely Mr President, supervising the satisfactory carrying out of agreements is at the heart of the matter. It lacks fairness because it excludes a growth recession clause.

The rapporteur referred to extravagant demands for protection, and yet it was the then United Kingdom Trade Minister, John Knott, scarcely a rabid protectionist, who said emphatically last year in an answer to me in the House of Commons that a growth recession clause would be central to our negotiations for a new Multifibre Arrangement. This assurance has since been repeated by other United Kingdom Ministers, so I cannot understand why the rapporteur should take such a defeatist attitude to the possibility of securing such a clause. It is not an extravagant demand to ask our trade partners if they wish to share in our market

when it is expanding, to be prepared to have their quotas reduced when our market is contracting. Lady Castle, who was herself a leading member of the Socialist Government in the United Kingdom which presided over the collapse of the textile industry in the United Kingdom, though nobody would have guessed it from her speech today, said that it was the poorest countries we would be penalizing. This is not so. Many of them have industrialized very rapidly and are among the most prosperous. I believe we can achieve such a clause because the developing countries know how strong is the tide of public opinion in Europe as unemployment mounts. I believe they would prefer a new Multifibre Arrangement with its orderly marketing to erratic action under Article 19.

It was for these reasons that some of my friends and myself introduced amendments to try and improve the balance and the fairness of the report and to emphasize the importance of surveillance. I am surprised that the Christian Democrats voted against this. I am sorry and many of our workers at home will be sorry that we did not get these amendments through. On the other hand I am glad we amended paragraph 3 to take account of the heavy regional concentration of textiles. So because half a loaf is better than nothing and though I regret the deficiencies in the report I shall in fact be voting for it.

**President.** — I call Mr Almirante.

**Mr Almirante.** — *(IT)* Mr President, our unfavourable opinion has already been concisely expressed by Mr Petronio, and I only wish to make two very brief observations. First, I was interested in paragraph 6 concerning the violations of articles 6 and 9 of GATT committed by the US Department of Commerce in regard to dumping practices. We have no information about the legal action taken by the Commission against the US administration and we have no information on the 15% protective tariff which was established in order to shelter the European textile industry.

Second observation: I am against this report as an Italian, and I am amazed that some Italian members could have failed to approve certain amendments — those of Mr Filippi, for example — and that they approved instead this report, which is simply catastrophic for the economic and social interests of my country. Our textile industry has 1 200 000 employees, of whom many are on redundancy and many have been laid-off or fear to be laid-off. It is a disgrace that Italian members can fail to protest such a report.

**President.** — I call Mr Israel on a point of order.

**Mr Israel.** — *(FR)* Mr President, I am surprised that with your excellent knowledge of languages you did

**Israel**

not hear me say three times in French: point of order. I should not like to see this Assembly, Mr President, transformed into a big city, but I should like parking to be banned in the aisle. Some thought should be given to people who, like me, are absolutely cut off from the outside world when people are standing here. I would therefore ask the ushers to do their job and forbid Members of this Parliament to remain standing in the aisles.

**President.** — You are quite right, Mr Israel. I have already tried, in vain, to call the House to order. I have no wish to take the dramatic decision of clearing the Chamber at 7.50 p.m. I shall simply insist that Member clear the aisles. That is all I can do.

I call Mr Filippi.

**Mr Filippi.** — *(IT)* Mr President, ladies and gentlemen, I am obliged to reiterate very briefly all the reservations I mentioned in my speech this morning. Even though some of my amendments were adopted, I think that some elements included in the amendments which are fundamental in modifying the general character of the motion were lost along the way. This has surprised and perplexed us, as Mr Bonaccini and Mr Almirante have said. This evening, Mr President, we were verging on the absurd, because a technical amendment which would have ruled out Yugoslavia simply because Yugoslavia is already included in the MFA list, was rejected. At this point, I really believe that someone should take a moment to reconsider. Sometimes there has been irrational behaviour here. With these reasons, Mr President, I explain my vote against.

**President.** — I call Mr Martinet.

**Mr Martinet.** — *(FR)* Mr President, of the six amendments tabled by members of the Socialist Group, five have been adopted. I consider that this has greatly improved the text submitted to us by Mr Welsh, and I would be in favour of the adoption of this text if the Presidency had not unfortunately decided to refuse to put our own resolution to the vote, a resolution on a basic issue to which Mr Davignon also referred this morning: the need for a link between an overall industrial policy and the commercial policy on which we are delivering our opinion. As this resolution has not been put to the vote, I shall not be voting in favour of Mr Welsh's motion but abstaining. In so doing, I am adopting a purely personal position as a signatory and author of this motion for a resolution. I am not committing my Group. I am sure it will be understood that the aim of this abstention is to make it easier for agreement to be reached on a text which represents a minimum, achieved as a result of our discussions and our debates.

*(Parliament adopted the resolution)*

**President.** — We should now conclude our business.

I call Mr Klepsch.

**Mr Klepsch.** — I had assumed that you would also be putting the Von Wogau report to the vote.

**President.** — In accordance with the agreement with the staff we are ending at 8 p.m. I cannot decide otherwise.

**Mr Klepsch.** — *(DE)* Mr President, I do not quite understand. The Groups are free until 9 p.m. This was agreed just now. In other words, those interpreters who should have been working for the Groups could be here now.

**Sir James Scott-Hopkins.** — Mr President, I am not quite sure why you are waiting, because you have to take a decision here. If the House has agreed to go on and if the interpreters — you might ask them, I do not know the situation there — can go on, I see there are only six or seven amendments to the Von Wogau report and I would have thought the thing could be finished in 20 minutes, as long as we have no explanations of vote.

**President.** — Yes, Sir James, if the interpreters are prepared to do this; But I have to hear that first.

We will vote on the Von Wogau report.

I call Mrs Van den Heuvel.

**Mrs Van den Heuvel.** — *(NL)* Mr President, on behalf of the Socialist Group I wish to protest against this state of affairs. Many members of my Group have already gone off to the Group's conference room to discuss tomorrow's agenda for half an hour. It seems out of the question to me that you should take a vote at this moment.

**President.** — I have no alternative but to comply with your request.

The decision of the political groups to meet at 8 p.m. is in line with the agreement with the interpreters. We shall, therefore, not vote.

The sitting is closed.<sup>1</sup>

*(The sitting was closed at 8 p.m.)*

<sup>1</sup> *Request for urgent debate — Agenda for next sitting: See Minutes*

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IN THE CHAIR: MRS VEIL

*President*

*(The sitting was opened at 9 a.m.)*

**President.** — The sitting is open.<sup>1</sup>

1. *Decision on urgency*

**President.** — The next item is the vote on the Council's request for urgent procedure for 10 motions for resolutions concerning Greek accession to the Community (Docs. 1-35/81, 1-40/81, 1-41/81, 1-42/81, 1-43/81, 1-44/81, 1-45/81, 1-46/81, 1-47/81 and 1-48/81).

Since the texts of these motions did not arrive until shortly before the beginning of the sitting, it has not been possible to distribute any reports to Members in time, and several documents have not yet been examined by the appropriate committees.

I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Klepsch.** — *(DE)* Madam President, on behalf of my group I should like to oppose all the request for urgent procedure on Greece, since we have already agreed to discuss this entire range of questions during the May part-session. In the Bureau, we have already spoken about the provisional agenda.

As for the other requests for urgent procedure, Madam President, my group will only agree to them if the chairman of the appropriate committee can assure us that they can be properly dealt with. Otherwise, we shall reject urgent procedure.

**President.** — I call the European Democratic Group.

**Sir James Scott-Hopkins.** — Madam President, as you have said yourself these documents are not available to the House. Therefore I assume that you will not be putting them to the vote of the House at all. It would be quite out of order to do so. We will just postpone the whole lot until next time.

But may I point out, Madam President, that I believe these documents did in point of fact arrive in Luxembourg something like two and a half weeks ago. I must

say quite frankly that it is the inefficiency of the staff of Parliament that they have not been distributed. I would like to have that made quite clear. Perhaps your staff could check again to see whether the distribution of these documents is as efficient as it should be because I really do fear that they get into the cellars of Luxembourg and do not see the light of day until urgency is demanded and then it is too late.

**President.** — Sir James, these documents arrived in Luxembourg on Friday and it has not been possible since then to translate and distribute them.

I call the Socialist Group.

**Mr Glinne.** — *(FR)* Madam President, given the situation, I think that the only course of action is that which already seemed to have been adopted by the enlarged Bureau yesterday, namely, to place these 10 items on Greece on the agenda for 4 May.

**President.** — We must nevertheless put them to the vote now to enable Parliament, if it wishes to reject urgent procedure.

I call Mr Lange.

**Mr Lange, Chairman of the Committee on Budgets.** — *(DE)* Madam President, I did not want to speak about Greece but only to reply to the question which Mr Klepsch has just asked. The Adonnino report, in which all the items to be discussed with the Council are fixed, ought to be adopted before the end of this part session so that the dialogue with the Council can begin. If we wait until May, the Council will already have begun to consider the drawing up of the 1982 budget, and the Council itself has said that it would like to be able to discuss any outstanding questions between it and Parliament at a rather less busy time. I would therefore ask the House to adopt urgent procedure. It will not take much time to deal with this matter.

**President.** — Mr Lange, at the moment we are discussing solely the requests for urgent procedure concerning Greek accession.

*(Parliament rejected the urgency of these motions for resolutions)*

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<sup>1</sup> Approval of minutes — Documents received: See minutes of proceedings.

**President.** — I call Lord O'Hagan.

**Lord O'Hagan.** — Madam President, we have a large and some might say ludicrous number of requests for urgency this morning of which many have not been distributed.

I have only one in my pigeonhole on the Bah'ais.

I should like to move that we defer all the others.

**President.** — Lord O'Hagan, the other documents have been distributed normally.

We shall now consider the *Lega Report (Doc. 1-87/81): Recruitment of officials.*

(Parliament adopted urgent procedure).<sup>1</sup>

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**President.** — We shall now consider the *Ippolito Report (Doc. 1-949/80): Uranium exploration and extraction.*

(Parliament adopted urgent procedure).<sup>1</sup>

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**President.** — We shall now consider the *report by Mr Adonnino and others (Doc. 1-77/81): Interinstitutional dialogue on certain budgetary questions.*

(Parliament adopted urgent procedure).<sup>1</sup>

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**President.** — We shall now consider the *motion for a resolution by Mr Deleau and others (Doc. 1-20/81): Small and medium sized undertakings.*

I call Mr Deleau.

**Mr Deleau.** — (FR) As author of the resolution on small and medium-sized undertakings, I ought this morning to be moving the adoption of urgent procedure before the House. It is obvious that urgency is always called for when it comes to discussing the situation of these types of undertakings; it is always a matter of urgency to try to discuss them in the Community in the light of their economic importance.

Let us not forget either that they have a job-creating role, which nowadays is not inconsiderable.

But since the problems of small and medium sized undertakings are so important, a number of colleagues have made points of reminding me — quite rightly — that I was the rapporteur appointed by the Committee on Economic and Monetary Affairs to deal with the whole range of problems affecting small and medium sized undertakings. My report is about to be drawn up and I shall shortly have the honour to present it to Parliament. This being so they did not omit to point out to me that it would perhaps be more appropriate to add this motion for a resolution to the detailed debate which the Committee on Economic and Monetary Affairs will be holding on the subject. Since it would be ungracious of me, Madam President, not to agree to this request, I would ask Parliament to refer this motion for a resolution to the Committee on Economic and Monetary Affairs, thus renouncing urgent procedure.

**President.** — This motion is therefore referred to the appropriate committee.

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**President.** — On the situation in Turkey, I have *four motions for resolutions:*

- *by Mr Fanti and others (Doc. 1-85/81)*
- *by Mr Pannella and others (Doc. 1/90/81)*
- *by Mr Glinne and others (Doc. 1-104/81)*
- *by Mr Bangemann and others (Doc. 1-113/81).*

We shall take a single vote on the urgency of these four documents.

I call Mr Glinne.

**Mr Glinne.** — (FR) Madam President, I think the political basis is clear: we must state our position this week. I am therefore in favour of a joint vote on the urgency of all four motions for resolutions.

**President.** — I call Mr Pannella.

**Mr Pannella.** — (FR) Madam President, we also feel that we cannot let another part-session pass without Parliament assuming its responsibilities one way or another in the face of a situation on which the majority of this House refused to express itself during November and December, in the belief that democratic freedoms would soon be restored in Turkey.

<sup>1</sup> This item was placed on the agenda of 10 April.

**Pannella**

This has not yet come about. As a Community, we are still financing the situation in Turkey as it is. Therefore, Madam President, we want Parliament to assume its responsibilities by simply repeating the decision it took unanimously in 1967 on Greece under the colonels.

**President.** — I call Mr Fanti.

**Mr Fanti.** — (IT) Madam President, the Communist Group presented and explained this motion at the last part-session, and we shall vote in favour of urgent procedure.

I should like to take this opportunity of drawing the attention of all the political groups to the need, stated by our group, for the European Parliament delegation to refrain from going to Turkey in the present situation. We consider that now is the time for the European Parliament to state its opinion in the form of a warning to the forces now ruling Turkey to comply with the undertakings it has given and restore democracy in that country, which occupies a position of major importance in the Mediterranean.

**President.** — I call Madam Le Roux.

**Madam Le Roux.** — (FR) Madam President, immediately after the *coup d'Etat* the Communists and Allies tabled a proposal in this House to break off relations with Turkey. This proposal was not adopted: Mr Fellermaier stated that we should wait for democracy to be restored. As for the Secretary General of the European Commission, he went so far as to describe this *coup d'Etat* as a 'return to democracy'.

For months people have been tortured, imprisoned and sentenced to death in Turkey. The junta had dissolved democratic institutions, suppressed freedoms and gagged the democratic press, while this House has so far refused to consider this state of affairs and to adopt the two specific proposals which we have put forward to suspend all relations between Turkey and the EEC and to postpone the visit to Turkey of a Parliamentary delegation proposed by Mr Fellermaier at the request of the military junta. All this at a time when several Turkish members of Parliament are behind bars and the junta's prisons.

In Parliament's enlarged Bureau, the Conservatives, European Progressive Democrats, Liberals, Socialists and Christian-Democrats all voted in favour of sending this delegation. Today we expect you, over and above mere words and over and above your motions for resolutions, to take a decision on specific proposals.

If you really support the Turkish people, then show it, otherwise it will yet again be nothing more than

demagoguery and hypocrisy. This delegation would be the backing that the Turkish junta has constantly been calling for and which it has so far only obtained from the United States, the Federal Republic of Germany and the Brussels Commission. Freedom is indivisible. In this House you prefer to discuss Poland rather than Turkey, where human rights are being flouted. There is a more than pressing need for us to discuss these serious attacks on freedom, and we are therefore in favour of urgent procedure.

**President.** — I call Mr Bangemann.

**Mr Bangemann.** — (DE) Madam President, my Group has tabled a motion for a resolution which seeks — if I may point this out since not every Member has the text — to send, as decided, a delegation to Turkey and then to hold a thorough debate on the situation in Turkey on the basis of a report to be drawn up by this delegation. But we cannot arrange for a delegation to go to Turkey with the specific task of looking carefully at the situation there and then reporting on it, and then, before this delegation has even left and before it can report on anything at all, pass a judgement as demanded in a certain number of requests for urgent procedure. To go about it this way would not be in keeping with the importance of the matter and would certainly do Parliament no credit.

For this reason we are in favour of urgent procedure, and it is customary in this House to take a single vote on the urgency of all the motions. That in order to avoid any misunderstandings, I would like to state at the outset that in Friday's debate we shall support only our own motion proposing that a delegation be sent to Turkey, and not the motions which seek to bring about a judgement on the substance of the question at this stage. In this connection may I say to the lady from the Communist Group that I fully support something she has just said this morning, namely that freedom is indivisible. I now expect a corresponding motion for a resolution by the Communist Group on the suppression of freedom in communist countries. If they did so, they would gain a lot more credibility.

Lastly, I should like to spring to the defence of Mr Fellermaier, who has been attacked here. He requested exactly what the Bureau decided, namely that we should send to Turkey a fact-finding delegation and not a delegation to defend, explain or explain away conditions which we cannot accept. Mr Fellermaier, like everyone else in this House, urged that Parliament should judge freely in full knowledge of the facts. He in no way defended in any point attitudes which are not in keeping with democracy or the principles of freedom. I feel we owe it to Mr Fellermaier, who has contributed a great deal to the defence of democracy in Turkey, to make this clear.

**President.** — I call Mr Klepsch.

**Mr Klepsch.** — (DE) Madam President, I am in rather an unfortunate situation because our group meeting had to be cancelled yesterday evening. But I am convinced that I can still state my group's opinion. This House has already debated the same subject twice under the urgent procedure rule. On both occasions we agreed to send a delegation of Members chosen by the Bureau and then to hold a debate in plenary sitting on the basis of a report by the Political Affairs Committee. This position has already been adopted twice by Parliament.

Now we have four motions before us, and at first sight I would say that of these, Mr Bangemann's is the one which corresponds to what we have had in mind so far and in which we should persist. We cannot keep on changing our minds. But since these motions must be voted on *en bloc*, I have no alternative but to agree to a decision to hold an urgent debate on all four motions on Friday.

But I should like expressly to say that it is totally inappropriate to conduct in this House a kind of argument by proxy. As all the authors of the motions have stressed, our main aim is to work towards the full restoration of democracy in Turkey as soon as possible. That is our common goal. I should therefore like to join Mr Bangemann in saying that we should not pass judgment until we know all the facts.

I do not think it is right for us to keep on discussing the same subject by urgent procedure, especially since the Bureau has already made a decision on this matter. Mr Fanti's motion, on the other hand, is also very specific in that it demands that no delegation should be sent. Of course we must also decide on this motion. This means that we must really come to a decision on two of the four requests for urgent procedure. I therefore support urgent procedure and expect the matter to be clearly settled on Friday.

**President.** — I call Sir James.

**Sir James Scott-Hopkins.** — Madam President, I have the same problem as the leader of the European People's Party (EPP) in that it was not possible to have a meeting with my group last night because we wished to get the voting done. It was too late then to hold it.

Having said that I agree with a lot of the things which have been said by both Mr Bangemann and Mr Klepsch but I come to a different conclusion. I think we are liable to fall into a trap here. If we do, in point of fact, go ahead with urgency on these particular issues of Turkey, without having the necessary information, then I think we are making a grave mistake.

Of course honourable gentlemen, sitting at the back there, or the honourable lady over there, would love to have a debate on rumour, on suspicion, on things which have been heard in the corridors, with no factual proof behind them at all. Of course, they would love to do that. And hit the headlines, I do not doubt. But if we are going to send a delegation, as has been the decision of this House in the past, for heavens sake let us send that delegation; let us get the facts and information, and then have a properly constructive debate here.

Therefore, Madam President, I say this. Looking at these resolutions here, the only ones that I could support are the ones from Mr Bangemann and from Mr Fanti, although absolutely opposite: one says send the delegation, the other says do not send the delegation. If we have to vote on urgency at all, those are the only ones I would be able to support — a decision whether or not to send a delegation. I do not believe it would be in the interests of this House, or in the interests of the Turkish people, which the honourable lady in the Communist Party talked about earlier on, to have a half-baked debate here based on suspicion and rumours without any facts at our disposal. So I would ask my honourable friends and my group to vote against urgency, except for the resolutions concerning whether or not to send a delegation.

**President.** — We shall take a joint vote on the four requests for urgency since they all deal with the same subject. This is the procedure we have always adopted.

**Sir James Scott-Hopkins.** — Madam President, I really would not question your ruling. Of course not. But I would ask you to look at it again because I believe that those two motions — in fact there is only one on the order paper, (Mr Fanti's) because Mr Bangemann's has not been distributed yet — concern an entirely separate and different issue, namely whether or not to send a delegation. All the rest are on substantive matters which are not proven and may or may not be right and I would ask the House to take a separate decision on them.

(Cries of 'Hear' hear)

**President.** — Since these questions overlap and deal with the same subject, it would be illogical to declare some urgent and others not.

(Parliament adopted urgent procedure)<sup>1</sup>

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<sup>1</sup> This item was placed on the agenda for 10 April.

**President.** — We shall now consider the *motion for a resolution by Mr Penders and others (Doc. 1-109/81): Persecution of the Bahai community in Iran.*

I have received from Mr Nord, on behalf of the Liberal and Democratic Group, a motion for a resolution on the same subject. If urgent procedure is adopted, this motion will be debated together with that by Mr Penders, but for the moment it has not yet been distributed.

I call Mr Penders.

**Mr Penders.** — (NL) Madam President, I should just like to make one remark on this point. Six months ago Parliament adopted a resolution on the Baha'i, which made a great impression in Iran at the time and also brought results to some extent. However that may be, the situation for the Baha'i is now much worse again, so much so that we considered it necessary to table an urgent motion. I can, however, inform you that yesterday we consulted with a number of groups, in fact the overwhelming majority of Parliament, which resulted in a joint resolution. I should therefore like to ask you to vote now in favour of urgent procedure. This means that there would be another joint resolution supported by the majority of the groups in this Parliament.

**President.** — I call Mr Pannella.

**Mr Pannella.** — (IT) Madam President, even if the enlarged Bureau has not arranged for a delegation to be sent; even if our information on this subject is, unfortunately, scant because the problems of religious freedom in our world are often relegated to the background; even if it means the humiliation of voting with a party in this House which with ever greater cynicism shows that it considers freedom only worthwhile if it serves its proper interests and has no qualms about being the accomplice of murderers and totalitarians; even if supporting religious freedom for the members of this religious community means, therefore, joining company with the eternal allies of fascism and of the murderers of history; even if Winston Churchill — while Pajetta and others were imprisoned in Italy — stated that if he had been Italian, he would have been a fascist and gone along with Mussolini; and even if we have to go along with those people once again, I shall vote for urgent procedure because we are in favour of freedom for all and not — as some — in favour of freedom for murderers who happen to be on the same side and of sentencing and prosecuting those who intend simply to defend their own ideas.

**President.** — I call Mr Forth.

**Mr Forth.** — Madam President, I would like to speak against urgent procedure on this matter. I think we are in great danger of falling once more into the trap that this House just simply cannot resist falling into, and that is to be given a very emotive issue, get involved in a debate and rush into print, so that we can all parade our concern and our consciences. But this is not good enough, because I do not think that this is going to do this House any good and, what is more important, I want to suggest to colleagues that it will not do the people who are being persecuted any good either. We really have to face this question: Did our resolution of last September on the same subject have any effect at all? If it did, has the effect worn off and therefore are we going to have to renew it? If that is so, we presumably have to repeat our resolutions every few months in order to renew their magical effect. That is the inescapable logic. And if that is so, Madam President, then we should really look at every point in the world where there are persecutions of minorities. We should pass resolutions on all of these and we should renew them every few weeks or months so that the effect does not wear off. Now the logic of that, Madam President, I think you and all colleagues will see: we should set all other business aside, as we have just indeed swept aside the business of the Commission, for example, and decide to concentrate all our efforts on every trouble spot throughout the world, pass a flood of resolutions every part-session and so keep renewing our concern in the firm conviction that this will have an effect. If this is what colleagues want and if they truly believe this is so, then of course they must support the request for urgent debate on this resolution; but I would suggest to you that that simply is not the case.

I would make one final suggestion. It is just possible, as some of us suggested when the first resolution was passed last September, that it will actually be counter-productive and that the increased persecution is connected with our own resolution of last September. That, I suggest, is just as possible as the opposite effect that some colleagues are suggesting. So for all these reasons, Madam President, I oppose urgent procedure on this matter.

**President.** — I call the Liberal and Democratic Group.

**Mr Nord.** — (NL) Madam President, after what Mr Penders has said, I can be brief. Our group supports the request for urgent procedure for this resolution. We are generally reticent about voting for the urgency of resolutions. In our view it is not a good habit in this House, when it is in session, to deal superficially with a very large number of matters which are brought up under the urgent procedure rule.

But there are cases in which there is actually some point in doing so and in which Parliament's voice must be heard. We think that the persecution of the Baha'i

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community in Iran is one of those cases, and so we shall vote for urgent procedure.

I should like to draw attention to a misunderstanding which somehow — for me inexplicably — has given rise to the agenda in its present form. We tabled a motion two days ago. After which the Christian Democrats did the same. Yesterday, as Mr Penders has just said, our groups held consultations and agreed on a joint text, after which we withdrew our motion. News of this obviously did not get through in time, but in order to avoid any misunderstanding on this point, I should just like to make this clear. Thus we are in favour of debating this motion by urgent procedure, Madam President.

**President.** — In reply to your last remark, I repeat that so far only the motion by the Group of the European People's Party has been distributed; the rest will be distributed tomorrow.

I call Sir James on a point of order.

**Sir James Scott-Hopkins.** — I cannot quite understand what is happening in the administration, because in fact there was a joint and agreed document to which I had put my name as well, Madam President, and that does not seem to have seen the light of day either. It was from all the groups — certainly at least from the honourable gentleman, the Christian-Democrats, the Liberal Group and ourselves. It does not seem to have seen the light of day. Is the administration making mistakes? What has happened?

**President.** — There is an initial document which was tabled last week by the Group of the European People's Party; this document was translated and distributed normally. The other one, signed by the various groups, was not submitted to the administration until yesterday evening, and that is why it has not yet been possible to distribute it officially. It was too late for it to be translated and distributed this morning. It is being printed and will be distributed during the day. This is why we are voting on urgent procedure on the basis of the document before us, since the joint document has still to be distributed; it is this joint document that Parliament will have to vote on at Friday's sitting. Since the documents did not arrive until yesterday afternoon, they could not be translated, printed and distributed for this morning.

I call the Communist and Allies Group.

**Mr Squarcialupi.** — *(IT)* Madam President, we also, as a group, have tabled a motion with request for urgent procedure on this most serious problem of the violation of human rights.

I think that there is no need to explain our position at length, since it is the same as that of many other Members in this House. It seems strange at this time to hear it said that our actions in the face of the violation of certain human rights to the detriment of certain communities — such as a religious community like that of the Baha'i — may be counterproductive. If this were the case, I think that our Parliament should shut up shop if it thinks that any moves on our part can damage the cause we want to support, as we want to support the struggle against the blatant violation of these human rights, which has already sown the seeds of so many struggles. It will suffice to point out the recent death sentences on two members of the Baha'i community passed with the approval of the Iranian Supreme Court.

**President.** — I call the Group of European Progressive Democrats.

**Mr Israel.** — *(FR)* We shall support the motion by Mr Penders, but we shall do so as co-authors. In fact, a meeting held yesterday made it possible to bring about an overall agreement on the subject between most of the main political groups; consequently for tomorrow's urgent debate you will have a text drawn up jointly by the main groups in this House.

Since I have the floor, Madam President, I should like to point out that urgent questions must be dealt with according to their political urgency and not according to the urgency of Parliament's work or questions arising from the application of the Rules of Procedure. If there is any time when feelings should run high and the action of the European Parliament should make itself felt as quickly as possible, it is when we are dealing with questions of political urgency. The matter before us is both urgent and political. I therefore request that the debates on our attitude towards urgent questions should take account of the fact that politically, certain matters require the attention of all responsible people in this House.

**President.** — I call the Socialist Group.

**Mr Hänsch.** — *(DE)* Madam President, I share the concern of all those who would like to prevent Parliament from dealing with such matters every fortnight. I must point out to the speaker from the Conservative Group that in recent weeks the persecution of the Baha'i community in Iran has been greatly stepped up, and so Parliament needs to deal with this question again. For this reason the Socialist Group has joined other groups in drawing up a joint motion for a resolution which I hope will be tabled on Friday, when we are due to debate the matter. The Socialist Group is thus in favour of urgent procedure.

**President.** — I call Mr Klepsch on a point of order.

**Mr Klepsch.** — (*DE*) Madam President, there is broad agreement in the House on the content. We are arguing only about matters of form because the texts have not been distributed, because there is a joint text and for other similar reasons. I therefore put forward the following proposal. Tomorrow morning all the documents will have been distributed, so let us decide to hold the vote on urgent procedure tomorrow morning. The debate is scheduled for Friday, so it does not matter if we do not vote on urgent procedure until tomorrow morning. As one of the authors, I should like to take the liberty of making this proposal in order to put an end to the argument.

**President.** — Mr Klepsch, I fail to see why we should postpone the vote on urgent procedure until tomorrow. Everyone agrees to the adoption of urgent procedure, and we have always said — at least most of us — that if urgent procedure was adopted, we could replace the texts later. So we are agreed on the principle of urgency. The EPP Group will withdraw its motion and in its place we shall have the joint motion which was submitted very late with the result that it has not yet been possible to translate it, but this will have been done by tomorrow. I feel that if we again postpone a vote until tomorrow, we shall lose more time. I think we should now vote on urgent procedure, and those who are familiar with this document should, if necessary, take account of it. If we again postpone the vote until tomorrow we shall lose time. The opinions expressed show that most Members want urgent procedure. So if you wish, we shall now vote on whether urgent procedure is to be adopted, and the actual subject will be decided on later, which is perfectly permissible. You will then withdraw your motion and the vote will apply to the joint resolution which almost all of the political groups will have tabled.

*(Parliament adopted urgent procedure)*

The motion for a resolution will be put to the vote on Friday, it being understood that the Parliament will have to vote on the motion for a resolution which has just been tabled since one group still supports it.<sup>1</sup>

2. *European Council meeting in Maastricht — Food supplies to Poland — Community aid for Afghan refugees in Pakistan — Joint meeting of the Council*

**President.** — The next item is the joint debate on:

- the statement by the Council and Commission on the meeting of the European Council in Maastricht on 23 and 24 March 1981,
- the motion for a resolution by Mr Klepsch and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), on food supplies to Poland (Doc. 1-969/80),
- the motion for a resolution by Lord Bethell and others on Community aid to Afghan refugees in Pakistan (Doc. 1-7/81),
- the motion for a resolution by Mr Moreau and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), and Mr Carossino and others, on behalf of the Communist and Allies Group, on the joint meeting of the Council (Doc. 1-14/81).

I call the Council.

**Mr Van der Klaauw, President-in-Office of the Council.** — (*NL*) Madam President, two weeks ago the Dutch Presidency, the province of Limburg and the city of Maastricht had the honour of organizing the first meeting in 1981 of the European Council — the summit meeting of the heads of state and government of the ten Member States of the European Community. I would add immediately that the Presidency's responsibility for this event does not end until such time as the President-in-Office has reported to the European Parliament and discussed the outcome of the meeting with the Members. The dialogue with the European Parliament gives the necessary democratic element to this European consultation and also represents its final stage.

Allow me to start my presentation by giving my assessment of this European Council. The outcome of the Maastricht summit was satisfactory, and in the light of the objectives the Ten had set themselves and of the carefully selected subjects to be discussed — taking into account the predominantly exploratory nature of the agenda — it can be said that there were positive conclusions. The atmosphere in which the talks took place, the mutual understanding that was shown, and the common appreciation of the seriousness of the problems facing the Community undoubtedly also contributed to the relative success of this European Council.

This aspect is all the more positive in view of the fact that there undoubtedly were tensions between the Member States before they met in Maastricht. I would mention the highly controversial farm prices question, the differing interests in the steel sector, and the delicate problem of the Community fisheries policy, which promised to be no less controversial. Under the political impulse of the European Council and other factors, the first question has been successfully settled after a marathon sitting of the Ministers of Agriculture. Developments with regard to the steel sector also look fairly promising, and after the latest meeting of

<sup>1</sup> Deadline for tabling amendments: see minutes of proceedings.

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the ministers responsible for fishing the Presidency has reasonable hopes that it will be possible to agree on the common fisheries policy once the time is ripe for that in a few months' time.

Before I go into more detail about the various subjects discussed and the conclusions, I should like first of all to draw particular attention to a number of points.

You are aware that one of the points on the agenda for this meeting was the social, economic and financial situation of the Community. This time the delegations had occasion to deal with this question with greater urgency than usual, and this fact has left a clear mark on the Presidency's conclusions. The discussions on this point were marked by extreme concern over the alarming level of unemployment throughout the Community. The Presidency appreciated the need to devote considerable attention to this depressing situation, which was all the more vivid in our minds in view of the fact that, on the morning of 23 March, the European Trade Union Confederation had made its concern on this point unmistakably plain to the President-in-Office.

On the other hand, the talks were marked by determination and unanimity on the only proper way of tackling the recession. The unanimously agreed conclusions regarding this point speak for themselves. The economic weakness is structural in nature, which means that there will have to be a medium-term structural policy if we are to make an economic revival possible and create prospects of a better employment situation. A short-term policy aimed specifically at stimulating demand will achieve nothing, or worse still, it will spoil any prospects of long-term recovery.

This is the essence of the message which the heads of state and government of the Ten wished to give to Europe, as set out in the Presidency's documents familiar to you all. This common diagnosis and the unity of views on the economic therapy to be applied reflect the determination and incentive to coordinate, in the Member States, the policy decided upon at Community level and aimed at achieving economic recovery. In this context, the existing range of Community funds and instruments must be applied as effectively as possible, with a view to relieving and combating unemployment, which has such a demoralizing effect on the young people in our society in particular.

In this context, I can expect the quite understandable question as to what the European Council thought this time of the idea of convening a joint Council meeting of the ministers of social, economic and financial affairs — a meeting which the European Council had already postulated at the start of December last year. I can assure you that such a meeting and its scope are being given serious consideration by all the governments. This is the reason for the common conviction that expectations as regards possible results of such a

meeting can be fulfilled only if there has been careful and thorough preparation, and this must be based on the economic guidelines which have been clearly formulated at European level, and in particular at the latest meeting of the European Council. The Member States were obviously aware of this need, and the Presidency is determined to continue with these preparations — albeit without undue haste, which would only lead to disappointment and frustration.

The talks in Maastricht strengthened the common awareness and appreciation of the fact that the Community is not alone with its economic problems. The international context and the need for dialogue with our partners in the free world were properly emphasized. This European Council prepared the way, so to speak, for more detailed talks to be held at the same level in June of this year. The Presidency's conclusion with regard to stepping up the dialogue with the United States on economic problems — with particular reference to interest rates — was formulated with the necessary circumspection, and this wording reflects the careful and cautious approach adopted by the European Council to this problem of its relations with our industrialized partners, and particularly the United States.

I would like to add at this point that, in our talks in Washington last week, the Dutch Prime Minister and I placed particular emphasis on the question of interest rates and on the influence of American interest rates on those in Europe, when talking with Vice-President Bush and Secretary of State Haig. The importance of this question was recognized by the American side. In my view, American economic policy will lead to a lowering of interest rates, and the Americans are fully willing to enter into talks with Europe on this question.

To turn now to another matter discussed by the European Council, I can inform you that the Council looked into the question of the introduction of the European passport. This was positively the last time that this matter had to be discussed in the European Council. The final and purely technical talks within the Council of Ministers are now nearing completion, so that the official decision can be taken at the next official meeting of the Council.

By way of introduction to the debate on this question, I should now like to move on to deal with the matter which particularly — and directly — affects your own institution: the question of Parliament's seat, as discussed by the European Council. As you know, the conclusion reached by the Head of State and the Heads of Government at the end of their discussion was a unanimous decision to retain the status quo as regards the provisional places of work of the European institutions.

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To clarify this statement, I should like to detail some of the facts and developments to place it in its proper context.

In September 1980 one of the Member States called for a conference of the Member States with the aim of amending the provisional agreement reached in 1965 by the Member States' representatives on the question of the places of work of the European institutions. It very soon became clear in the course of this conference that most of the delegates felt that there were serious administrative and financial objections to be raised to the current situation, which was detrimental to the effective interaction of the Community institutions. On the other hand, no unanimous view emerged as to possible changes to the status quo.

The Member States were well aware of the fact that the European Parliament had adopted a resolution on 20 November 1980 which called on the conference to take a decision not later than 15 June 1981, after consulting the European Parliament.

As discussions progressed, it became evident that views still differed as to a solution to this problem, and at the same time it became increasingly clear that of all the possible decisions, the status quo — that is to say, the designation of a number of provisional places of work — was the least imperfect. To put it in a nutshell, the Presidency failed to obtain acceptance of a formula which would on the one hand have reconciled the opposing interests and would on the other have made it possible to achieve optimum interaction and functioning of the institutions.

There was talk of a total impasse, in which none of the interested parties apparently wanted to force the issue. That was the situation facing the European Council on this issue when it met on 23 and 24 March. The impasse caused the Heads of Government to postpone their request for a definitive solution. All in all, realism dictated that things be left as they were for the time being to wait for better times to come. That is the background to, and the significance of, the decision taken by the European Council on 23 and 24 March, in the Presidency's objective view.

I should like to conclude my introductory comments by touching on a question which has some relevance to the relationship between the Presidency and the European Parliament. On behalf of your Political Affairs Committee, Mrs Veil asked Prime Minister Van Agt to report back here on the meeting of the European Council in Maastricht. You will have noticed from the fact that I am speaking here instead that the Dutch Presidency decided otherwise in this respect. We gave careful consideration to our policy on this matter, and came to the conclusion that it was neither possible nor desirable to depart from the agreement which has been in force for some years now, whereby the President-in-Office of the Council — in this case myself — takes on the job of reporting

back to the European Parliament on what was discussed by the European Council. This agreement by no means detracts from the importance of the exchange of views on the meeting of the European Council, particularly as the prime minister and the foreign minister play a dual role in this respect.

It is, incidentally, a specifically Dutch aspect of the matter that, even if the prime minister were to be speaking here, the foreign minister is still — according to the Dutch Constitution — exclusively responsible for foreign policy.

Madam President, I should now like to move on to deal with the comments made here on a number of international political matters. The European Council discussed a number of political questions in great detail, and our exchanges of views on these is reflected in four statements. You have been sent copies of these, so I assume that you are *au fait* with their contents. I should just like to add that I gave the Council a brief résumé of the situation in the Middle East on the basis of what I learned in the course of my discussions with the Secretary-General of the Arab League, Mr Klibi, and during my visits to three of the countries in the region. In view of the limited nature of my contacts, I was not able to give a detailed exposé of the different views held on this subject in the Middle East. What I can say, though, is that the Arab countries I have visited so far adopted a very open-minded and positive attitude to my visit. A dialogue is now developing, and I can only describe this as an encouraging departure. My colleagues' reactions to what the Dutch Presidency has done so far and the way I am setting about the task was likewise decidedly positive. In view of these developments, the European Council reiterated its resolve to study — at its meeting on 29 and 30 June — what conclusions could be drawn from the series of visits which will probably have been completed by then.

As regards the Lebanon, and in view of the dramatic and tragic developments of the last few days, I believe that the European Council was right to present the European view at an early date and with all due clarity. The attack on the Nigerian contingent of the UNIFIL force, and the tragic results thereof for some of the troops, also prompted the Council to issue a statement. I should like to draw your attention particularly to the final paragraph of the statement, in which the European Council associates itself with the statement issued on 20 March 1981 by the acting President of the Security Council, warning those concerned against doing anything else to prevent UNIFIL from fulfilling its mandate.

The statement on Afghanistan was prompted directly by the increasing mass of refugees leaving Afghanistan and placing a great burden on the neighbouring countries, especially Pakistan. The European Council also took the view that if it failed to come up with a joint statement on Afghanistan, this could be misinterpreted

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tated by certain countries. The Europe of the Ten is by no means prepared to accept a *fait accompli* in Afghanistan, and especially not now that the Soviet troops have resumed military operations against the Afghanistan people in full force. On the other hand, the European Council wanted to give clear expression to its willingness to support any initiative which might result in a genuine solution to this serious problem. The Council believes that a positive view should be taken of the initiative set out in the United Nations resolution of 20 November 1980 and also the recent French initiative.

Let me move on finally to deal with Poland, that country which has been so much in our thoughts recently. The Council devoted a great deal of time to the Polish question. Mr Genscher reported on the visit he made to Poland just before the meeting of the European Council, in the course of which he expressed his concern at the internal developments in that country. It emerged from the ensuing discussion in the European Council that the other delegations too took the view that the situation in Poland — both economic and political — gave very serious cause for concern. In the light of this, the European Council attached great importance to reiterating its view that the Polish people must be left to come to terms with their internal problems by peaceful means and without outside interference. The European Council took the view that the Community should reiterate its willingness to respond to any requests for economic assistance from the Poles. Such requests have in fact been received, and discussions have taken place in Paris on ways of alleviating the burden of debt on Poland. These discussions will be continued this week, and I hope that they will soon reach a conclusion. In view of the serious food supplies situation in Poland, a fresh request for food aid has been received from the Poles, the Community has reacted positively and aid is on its way. I hope that this will enable the Polish people to solve its own problems peacefully and independently.

**President.** — I call the Commission.

**Mr Thorn, President of the Commission.** — (FR) Madam President, the President-in-Office of the Council has given us an account of the work done and the results achieved during the last European Council. I shall therefore try not to duplicate what he said by simply making a few remarks, as some speakers asked me to, and by adding a few comments.

After the meeting in Maastricht, a great deal of criticism was directed in the Community at the outcome of this European Council. One might almost say that it had become fashionable to label the results obtained insignificant, and to state that Community decision-making procedures had seized up and that political considerations of a national character had gained ascendancy over Community objectives.

Well, I must openly state that it is my opinion, Madam President, that those people were exaggerating. Of course, the last European Council was not particularly inspiring. It is true that no historical decisions were made there, but was anyone expecting any? Given, on the one hand, the problems existing — and we all know that one cannot work miracles where they are concerned — and on the other hand the general political timetable I should like to stress now, as my colleague the President-in-Office of the Council did, that the meeting in Maastricht was important, for the very reason that it demonstrated at this time of difficulties — we need only think of the fisheries and agriculture questions — that our Community existed and was still united. This meeting reaffirmed the faith which the Governments of the Member States — at their highest level — put in the Community. It gave further proof that they have gained the habit of discussing major problems together, whatever differences and conflicts of interest might have appeared during the discussions.

I should like to stress, ladies and gentlemen, the notion of faith in the Community. We are, naturally, well aware that the Community mechanism is not really perfect, and — I must admit — is doing little more than marking time. Nonetheless, with the raging economic crisis in which we are now caught up, and with the uncertain world we now live in, the Community — and this must be said — remains the only credible way out of our difficulties. The fact is that — at a time when problems are world-wide and when national governments cannot deal with their own problems — it is little wonder that the Community of Ten, when asked to take unanimous decisions, not just on broad objectives but on the detailed means of achieving them, should not be able automatically to reach such decisions. We must not let ourselves be chivvied down a path which some people would like us to follow, which is that of stating that at national level things are going well and that it is only the Community which is making no progress. What we ought to be doing, on the contrary, at the June session and during the meeting which we have with Parliament to discuss the institutions, is trying to learn something from what has happened so far. You are all aware, and many of you have already said as much, that we will have to face up to the fact that Community procedures must be changed.

If we weigh up the last European Council, I think we can say that it follows on directly from previous ones. If we take the roughly six hours of discussions which it amounted to, they can be broken down into three main topics, one third to examine the economic, financial and social situation, one third to examine the state of political cooperation and one third for topical problems. It is true that the Summit perhaps produced more views and exchanges of opinions than it did spectacular decisions. It did, however, make a major contribution in three fields in which the European

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Council's stimulus has become an intrinsic part of progress towards European unity.

First of all, ladies and gentlemen, there are farm prices, which Mr Dalsager will speak about shortly. On this point at least, the European Council clearly stressed the need to keep trade flowing and the deadlines were met, at least for this sector. On 1 April, a decision was taken and the Commission amended its proposals along the lines of what Parliament had requested, as I feel sure you will admit. I think it right that it should be stressed that even if the Commission may take some of the credit for this, such a rapid conclusion could certainly not have been reached if, during the European Council in Maastricht, all the Heads of State and Government had not been able to express themselves and make plain their desire to further a rapid conclusion to this problem.

Similarly, as concerns monetary policy, we signified our determination to arrive rapidly at a common stance on monetary policy and interest rates. The President of the Council referred to this during his trip to the United States with the Irish Prime Minister, when he was also speaking on behalf of the European Community. We stressed the need for a logical and united stance with respect to the United States, whose influence is, as you all know, decisive in such matters. The European Council invited the Finance Ministers vigorously to pursue such negotiations, in particular in order to gain the best possible advantages from the mechanisms of the EMS in order to offset the ill effects of the economic crisis.

One other aspect of the work of the European Council which I should like to draw your attention to, is that of a common diplomatic attitude by the Community Member States. To an increasing extent, as you have all noted, it is the European Council which really shapes European foreign policy.

The President of the Council has already given details of this. The European Council devoted a large amount of its discussion time to the situation in a number of nerve centres in the news at the moment, and I shall simply name them, Poland, the Middle East, Afghanistan. As you all know, following the European Council, the Commission, in a very short space of time, one week, took the necessary measures which the Council had requested in order to enable the Polish Government to purchase a certain amount of food produce which Poland urgently requires. We may have a further opportunity to discuss this matter this afternoon.

I should like briefly to refer in passing to relations with the United States and Japan which were also discussed in Maastricht. For such matters, it is the Community as such which must take on all the responsibilities which the Treaties confer on it, and I should like to stress two points. Firstly, and this is absolutely essential in my opinion, there is the need for us, in our

relations with our major industrial trading partners, to preserve our unity as a Community during the tricky negotiations made necessary by the present imbalance in world trade, and this means that we must not work separately, every country for itself.

Secondly, there is the need to maintain a world free trade system and to resist the temptation to impose protectionist measures. In saying this, it is not my intention simply to repeat an article of faith but to show that I think protectionism is the most delusive and illusory way out of our problems. If we hide behind artificial barriers, then we can hope to save firms under threat for a short time, but this is no more than a stay of execution especially if, as is the case for the Community, one is the world's top exporter.

There are, of course, some less rosy aspects to this European Council. You might for instance mention unemployment. A delegation from the European Trade Unions actually came and expressed this criticism last week in Brussels to the Commission. The final statement issued by the European Council is a clear expression of the extent to which the high and continually rising level of unemployment in the Community is a matter of concern for us all. This question was the one on which the Commission and its spokesmen brought most of their attention to bear during the Maastricht summit. We did this firstly in a written text and then in our speeches. But, ladies and gentlemen, you are well aware that there are no miracle solutions to this problem. In fact, some people are now accusing us of having said too much in Maastricht, whilst others are criticizing the little which was said. What does this show? This shows that on this subject no new ground can be broken. What must be done, is carefully to prepare the ground. It also shows that the present political schedule in which there is not only a disparity between the policies applied by the various Member States, but in which several of the latter are now involved in elections, meant that it was impossible to expect a unanimous decision on the measures which should be applied.

We, the Commission, held the view that automatic stabilizing forces should be allowed to operate, that is to say that increased budget deficits should be tolerated if the economy falls off. But, we must also admit, ladies and gentlemen that there are limits to this and that there are some countries which are already faced with a deficit of such magnitude that they must reduce it. We argued that we should accept temporary balance of payments deficits and not try at all costs to achieve a drastic and immediate reduction of them. This is what the Commission said but, for some Member States, these deficits must be cut back fairly quickly which means economic readaptation with all that involves. We should also note that the Council — the President-in-Office of the Council Mr van der Klaauw mentioned this just now — decided that the fight against unemployment ought to be waged not just by the separate Member States but also at

### Thorn

Community level, and a meeting was fixed to discuss this in mid-year. On the same subject it was also decided to convene a joint meeting of the Economic and Finance Ministers, and of the Social Affairs and Employment Ministers in order to look into these questions. The Commission's main concern here is to ensure that the groundwork for this meeting is carefully prepared, particularly with the European Trade Unions, we promised them as much last week. In addition, the Commission will be making a very real contribution to the meeting. The Council stressed the need to bolster employment in the private sector.

Ladies and gentlemen, the Commission's work is perhaps not always spectacular, but I should like to make quite clear that by ensuring monetary stability within the Community, and the convergence of national policies, particularly on interest rates, by ensuring concerted action on the major economic steps taken in the Community, as we do, by setting up and developing new Community instruments and encouraging investment, selective investment in specific sectors, we are helping to strengthen the framework within which the various economic forces can renew and expand the Community's industrial structures, and I take not a little pride in seeing that Member States slowly but surely are following our lead.

One negative aspect of the European Council was, naturally, the question of fisheries. The European Council examined the fishery question. It realized clearly, as we all do, that over and above its key significance for the economy, this problem had assumed a symbolic value, and the Council asked the competent Ministers to meet again during the same week with a view to solving the problems preventing agreement on a common fisheries policy. Unfortunately, and why should we hide the fact, this meeting was a failure. It is not our task in this House to apportion the blame for this failure, but I can assure you that the Commission for its part is ready and willing to resume discussions. It has unstintingly devoted its energies and its inventiveness — and will continue to do so — to the task of finding a suitable basis for the agreement which must be reached. We do however regret the fact that major deadlines, nay even vital ones for the fishermen of Europe, were not properly observed, with all the loss of income and damage to the industrial sectors concerned which this implies, and also with the harm this has caused to the political situation.

Whenever one tries to apportion the blame, there is a strong temptation to take one or other section of the Community as a whipping boy. I should like to denounce in the strongest possible terms before Parliament today any such action which would jeopardize the very foundations of our Community. You well know, Madam President, ladies and gentlemen, that we have some important appointments with each other in mid-year. There are the problems of the budgetary

mandate, proposals which have to be made after what is known as the 'Jumbo-Council' on the economic and financial situation in the Community, there is the institutional meeting. All these are linked. At those meetings, and in order to meet these major challenges, a modicum of trust must be generated and we must pull together, especially where Parliament and the Commission are concerned, in order to give full weight to our efforts. To stick together and to keep our Community united at this time, must, more than ever, be our overriding concern, this being particularly true at a time when we are starting to consider how financial stability may be restored in the Community following the decisions taken at the European Council before last.

*(Applause).*

**President.** — I call Mr Langes.

**Mr Langes.** — *(DE)* Madam President, my Group is extremely pleased that our motion for a resolution on food aid to Poland is being debated as part of this debate on the European Council meeting in Maastricht, and we welcome the fact that Lord Bethell's proposal on aid to Afghanistan is being considered likewise.

Our motion for a resolution, Madam President, dates from 23 February 1981, but despite the fact that it is more than six weeks old, the points it contains are still basically fully valid. As the President-in-Office of the Council just said, the question of aid to the Polish people was one of the central elements in the discussions held in Maastricht by the ten heads of government. In this motion for a resolution, we regard aid to Poland as aid for the Polish people, which is why we call on the Member States to seek ways of making aid available rapidly. I would ask all Members to support our motion, particularly in view of point 3. I call on the Commission to give a clear answer today if at all possible, and I appeal to the President-in-Office of the Council to make it clear that he gives his full support to this point on behalf of the ten national governments. The important thing is that the Community should not only be prepared to finance the food aid — both the Community as such and the ten Member States — but should, in view of the difficult foreign exchange situation facing Poland, also be prepared to finance fully the transport costs for this food aid.

Ladies and Gentlemen, that is the central point of our motion for a resolution. Over recent weeks, private institutions — like the churches — have made a massive appeal for direct aid for the Polish people, and the peoples of Europe have donated millions of marks to enable the food to be sent to Poland.

We realize that, after Maastricht, the national governments once again — but unfortunately very late in the

**Langes**

day — went into the question of why it had become so difficult to get this food aid to Poland quickly. As we have seen, things have improved after Maastricht, and we therefore think it necessary to go a step further so that everyone realizes that the European Community regards the Polish people as a part of Europe and is prepared to make a supreme effort when aid on this scale is needed.

Madam President, I should therefore like to ask Mr Vandemeulebroucke to withdraw Amendment No 2. I think it vital that our motion for a resolution on food aid should arouse no suspicion whatever in the minds of the Communist leaders in Prague and Moscow of political motives on our part. We have all read what Brezhnev and Husak said in Prague yesterday and the day before. We have read how the difficulties facing the Polish people have been interpreted as a kind of anti-socialist campaign. But I do not think that we Europeans have any need at all to make our humanitarian aid dependent on certain political conditions. What we are after is purely humanitarian aid, which is why the motion for a resolution tabled by the Group of the European People's Party has been kept simple and clear enough so that anyone of goodwill will interpret it as nothing more than aid to the poor Polish people. I would therefore ask for Amendment No 2 to be withdrawn on the grounds that it may prove to be more of a hindrance than a help.

Ladies and gentlemen, I believe that the Commission and the President-in-Office of the Council could show us all here today how quickly governments and the Commission can act. If both these institutions were today to give their support to the central element in the European People's Party's proposal for the Community to take full responsibility for financing the transport costs for the food aid, no harm would have been done by the fact that our motion has remained undebated for so long. On the contrary, the long delay would have turned out to be a good thing.

I would ask you, ladies and gentlemen, to support this motion for a resolution, and I would ask the Commission and the Council to give their approval today if at all possible.

*(Applause)*

**President.** — I call Lord Bethell.

**Lord Bethell.** — Madam President, I would like at the outset to say that I support every word that was uttered by the previous speaker on the question of food aid from the Community to Poland. It is no coincidence, I believe, that these two items should have come up on the agenda so close together, because the need of the people of Poland and the need of the people of Afghanistan have a common cause and this cause, of course, is the belief entertained in the

Kremlin and by President Brezhnev that the Soviet Union is entitled to surround itself by a ring of buffer States and to occupy with its military forces countries on its borders. Now, of course, in Poland the result has been a suppression of freedom over many years, and it is the struggle against that which has created the food difficulty in that country.

But whereas in Poland there is a difficulty over food and while there is a lack of variety and a problem for the ordinary man and woman to feed himself, in Afghanistan there is a disaster and the results of the Soviets' activities come closer to naked aggression and genocide.

In Afghanistan, 10% of the population have been obliged to cross their southern border into Pakistan. At the end of February 1981, 1.65 million people had been forced to flee across the frontier, and this enormous exodus finds itself under the care of the United Nations High Commissioner for Refugees, supported mainly by the United States, by the Islamic world and, of course, by the European Community. This is where we come in, and I was sorry not to hear any reference to this in Mr Thorn's opening remarks; I dare say however, that he will refer to it when he comes to wind up this debate. He will be aware that the High Commissioner for Refugees on 13 March sent an appeal to the Commission to make a substantial contribution towards the relief of famine in the refugee camps of Pakistan.

The United Nations referred to a 'catastrophic situation with dire consequences'. They referred to the fact that this continuing exodus from Afghanistan at a rate of 100 000 refugees a month during the early months of 1981 had not been predicted. The numbers were expected to stabilize at about 1.4 million; in fact, the rate has been almost twice as high as expected, and there are now close on 1.7 million refugees in the north of Pakistan entirely at the mercy of the outside world, for Pakistan can in no way cope with such a problem — it is not a rich country. The Soviet Union, of course, has not found it possible to occupy the whole of Afghanistan; so it has contented itself with making life not worth living for the people, and 10% of them have been forced to flee.

The United States, as I indicate in my resolution, has already given 23 million dollars for the relief of this tragedy, and I am advised that it has pledged now a total of 56 million dollars. The British Government, it was announced by the Foreign Secretary, Lord Carrington, who was in the refugee camps only a few days ago, will contribute 10 million dollars on a bilateral basis over the next year. These are substantial contributions on a bilateral basis, but I believe that the Community can be even more generous and can make an even more substantial contribution to the relief of the appalling problems of the refugees.

**Lord Bethell**

I speak only personally in making one further point, and that is that it seems to me equally right that this contribution should be made because I believe that the armed struggle against the Soviet occupation of Afghanistan must and will continue. I have been recently in Washington with a number of representatives of the armed struggle, and they of course maintain that it will be far easier and more realistic to continue the fight for their liberty if they are sure in the knowledge that their wives and children are being taken care of in Pakistan. So there is that element in the problem as well.

I should like to thank all those who signed my request for urgent debate and to point out that representatives of every group agreed to put their names, to this resolution with the exception of the Communist Group. I note that Mrs Baduel Glorioso is leaving the hall: well, she was not able to support the problem of refugees in Afghanistan. I am very sorry about that: it would have been, I think, more pleasant and more agreeable if all groups could have supported this clearly humanitarian move. Nevertheless, the Communists have their own axe to grind, and so they refused to cooperate.

Finally, I would point out that this sort of resolution and the one we have heard presented by the previous speaker are surely in the highest traditions of the Community. They are based on the principles for which our Community must stand, for we are not only trying to relieve hunger, though this is a very important issue and one to which committees of our Parliament and directorates of our Commission address themselves on a day-to-day basis; we are also concerned to make it clear that those who fight for their freedom against tyranny in any part of the world — I do not mean just against the Soviet Union but in any part of the world — will have the support of the peoples of the ten countries of this free and democratic Community and will have the support of the elected Members of this free and democratic Parliament.

*(Applause)*

**President.** — I call Mr Moreau.

**Mr Moreau.** — *(FR)* Madam President, the European Socialists warned the Council of Ministers, warned the Commission and all the governments of Member States about the risks of a serious recession in the wake of the interest-rates war begun by the USA, of the second oil crisis and the disturbing decline in international trade which is mainly the result of financial difficulties amongst those developing countries which do not produce oil. Those warnings, like those issued by the trade unions, were ignored. The same is true of our proposals which involve amongst other things, without abandoning the attack on inflation, firstly supporting industrial activity and development by

Community loans, secondly coordinating monetary policies amongst Member States and giving a serious warning to the USA whose rising interest are largely responsible for the difficulties of the Deutsch mark and the economic difficulties of the Federal Republic of Germany, and thirdly taking specific joint measures against unemployment, particularly by implementing the recommendation of the Peters report on the iron and steel industry, by opening negotiations with the trade unions on work sharing and by using the regional fund to increase aid to the regions.

What we find today is that despite the declarations of intent and the communiqués which are drafted with such care and precision is that our suggestions have been ignored. As far as we can see, the result is disastrous. What, in fact, is there to see? Diminishing industrial output, rapid and disastrous rise in unemployment affecting particularly young people, women and older workers who are near to retirement. And what is more, restructuring work is becoming more difficult and producing less and less worthwhile results.

With these trends, an atmosphere of scepticism and resignation is spreading in Europe. I think you will agree that such a situation is extremely dangerous and quite unacceptable. It is the result of a lack of will and of action and of an absence of choice in the institutions. The question we have to ask ourselves is whether Europe will always be one war too late. The President of the Council summarized in his speech the work of the European Council of this presidency connected with calling a joint session of the Ministers of the Economy, Finance, Social Affairs and Employment, and made the point that such a session should be very thoroughly prepared. That is scarcely a satisfactory answer. We would be the last to neglect the need for such preparation for such a meeting: everything must be done to ensure that the best possible results are achieved for the people of Europe, and the notion of consulting trade unions is of course a positive one to us, but I would like to point out to you that the information is already available, locked away in your files. All that is needed is to ask for the reports on the state of Europe, on medium term planning, deliberations of the committees on monetary policy and on economic policy, minutes of the Committee on Employment and all the others I could mention. There is nothing in what the President of the Council has said to us this morning, or in what the President of the Commission has said, which indicates that either Council or Commission has any will to speed matters up. This, as I said a moment ago, is no time for being resigned. The people of Europe are disturbed and their doubts are forming, their scepticism growing.

The problem which we have to face is to find out whether we are in fact going to be able to build the Community which now appears so necessary to overcome the difficulties which we face. Such a joint meeting would be one token, amongst others, of a will

**Moreau**

to reverse the trend and give ourselves the means to control our economic and social development during our present difficulties. The European Council at Maastricht has done nothing to alleviate our fears and that is the reason why the resolution before the House is there: to indicate Parliament's determination that things should not remain as they are and to make it plain that employment must be at the heart of our economic policy. If we are not heard, there is every reason to believe that solidarity amongst the people of Europe will wear even thinner and that scepticism will continue its spread. Our time is limited. Let us hope that our cry is heard and that this meeting will mark a turning point for the Community's economic and social policy.

*(Applause)*

**Mr President.** — I call the Socialist Group.

**Mr Glinne.** — *(NL)* Madam President, Minister, I particularly appreciate the words of Minister Van der Klaauw as the representative of a small country which, like its Benelux partners, is making an effort towards European unity. I appreciated all the more the words of Under Secretary of State Van der Mei yesterday evening when he said that this Parliament is the conscience and the hope of the Europe of Ten.

*(The speaker continued in French)*

Having said this, I regret that I cannot say I am as pleased with the Maastricht European Council and with the Councils which are to come. I am sceptical about the European Council as an institution, and I shall refer to two of the guidelines set out at Maastricht and at the meeting of Ministers for Industry on indexation and on iron and steel.

Iron and steel first of all. In paragraph 6 of the press release issued after the Industry Ministers' Council held on 26 and 27 March last it says, and I quote:

... Where unjustifiable burdens would be imposed on certain groups of workers, the appropriate social measures will have to be introduced to mitigate the effects of capacity reductions resulting from restructuring. To this end, the Council will examine in detail as soon as possible the appropriate social measures to be taken by the Community with a view to reaching the necessary decisions in parallel with decisions on further restructuring and the aids code ...

What precisely does all this mean? Has the Council in fact decided to do something and to give itself the necessary financial means? What is more, what we Socialists understand by the social implications of the iron and steel industry means not just the payment of early retirement, redundancy pay and retraining, but above all the provision of new jobs in new competitive industry ...

... We observe that though the Council of Ministers has not been able to decide on anything to help the steel workers, the Agriculture Council was able to reach firm decisions on agricultural prices which I do not wish to discuss now. Why then are we waiting for a Council of Social Affairs Ministers to be held which could likewise take firm, encouraging decisions to help workers, particularly steel workers? Will we have to wait for the unemployment level to have doubled before we finally show some determination in dealing with the problem? For our group such a wait is unthinkable.

To return to the Industry Ministers' Council, point 7 of the press release gives me some concern. I quote:

Proposed measures of State aid will be examined with regard to the degree of restructuring and net capacity reduction involved in relation to the Community's general restructuring objectives by a Working Party under the aegis of the Commission. The Council ECSC Working Party will examine on a regular basis how this resolution is being implemented, in particular progress in restructuring, capacity reduction and phasing-out of aids.

We Socialists would like to know what this means in plain language for the steel making areas which are in real trouble. Does it mean that a time limit is to be put on all State aid to the least fortunate areas? Does it mean that Community aid will be turned down or does it mean the opposite that a special effort will be made for the areas which are most severely affected by the crisis and where employment is at greatest risk?

Now on the question of indexation, after the concern of the Maastricht Council in its press statement about the negative effects of national systems which index incomes in line with retail prices, the finance Ministers of the Community and the governors of the national banks devoted a large part of their time to the question at the meeting which they held on 3 and 4 April. Pressure is being brought to bear on all sides to dismantle the system of wages indexing in those countries where it exists. The signal to start was given at Maastricht, the finance Ministers took it up at Breda and the foreign Ministers took it up at Brussels on 3 and 4 April. It was even written in the press, and I quote:

The ten referred to the possibility of asking the Commission to draw up a system which would replace the arrangements currently in force in some countries.

It all seems to have been stage managed. The Council of Ministers gives its vague agreement to the Commission's assisting the political authorities in Belgium and in Italy — those are the two countries which would appear to be mainly concerned — to dismantle a wages indexation system which has been in force for years and which is now thought to be responsible for all the evils on earth. The fact is though, that for a large number of reasons, big business has not been able to move with the economic times of the 70s and 80s, just as is shown by the steel and textile sectors, for

Glinne

example. And now everything has reached a standstill a scapegoat has to be sought: under the present circumstances what could be better or easier than wages indexation?

My own feeling is that too much faith is being put in a single economic and social lever. And yet the Commission itself — and its views on economic and social policy are not generally what might be called left of centre — in its most recent economic report for 1980-1981, was much less forthright, and I would like to quote the report:

It is not appropriate to make simple, sweeping judgments on the effects of indexation mechanisms as such, because they can exist with differences in degree which at the limit become hardly distinct from the problems of general pay bargaining.

Much more important than the indexation system is the prices and incomes policy operated by the government and by employers, and the question of collective bargaining. In an economy such as our own, where growth has generally been measurable in percent, wage indexation does not of itself have any inflationary effect. What does matter for a country's economic and monetary balance is the ratio between real wages and productivity, and that ratio is much more seriously affected by what I describe as the general social climate, or by the quality of social awareness based on social justice, inequality of income and of wealth, tax evasion and so on.

What is more, I believe that those who would like to do away with wage indexation for economic policy reasons are wrong because they are at the same time denying themselves a valuable means of bringing about social harmony. And it is at times like our own, when we have to adapt to the new world economic order and adapt quickly, that we can make the enormous investments needed to adapt much more easily and much more quickly if we have social harmony than if we have a climate of tensions, of strikes and to demonstrations.

Ladies and gentlemen, it is my belief that as a general principle we must be very careful when using social levers. Just as it would be difficult to transpose the German system of worker participation into other Community countries, serious thought must be given before any attempt is made to dismantle wage indexation systems. What I am saying receives support from the communiqué issued by the European Trade Union Confederation after the meeting of the Council of Finance Ministers in Breda.

This was the reaction of the Confederation — again I quote:

'To the all-out attack on wage indexing systems which is being conducted by the finance ministers; the European TUC proposes an alternative policy to deal with the crisis, and it is because this policy is not implemented

within the Community that there is no way out of the present problems.'

In effect, as I was saying, the guidelines adopted at Maastricht relate only to Italy and Belgium. As far as Belgium is concerned, wages indexation has not — despite claims made by the Netherlands Finance Minister — had any harmful effect on inflation. Quite the contrary: the rate of inflation in Belgium is about 7%, and is one of the lowest in our Community which has an average of 11%. What, on the other hand, is extremely worrying is that an attack on the indexation system currently used in my own country would open the way to devaluation. The consequences of both these actions together — doing away with indexation and devaluing the franc — would be very severe both for my country directly and for the Community indirectly. The inevitable practical consequences would be a reduction in the purchasing power of small and medium incomes which have already been reduced by voluntary wage restraint and in social security benefits. That would threaten the home market, and with it the Belgian economy and the level of employment on a country where unemployment is already extremely high and which cannot afford, either politically or socially, any further increase in the number of unemployed. Any continuation of this could lead to serious social problems in Belgium after the political crisis we have just been through. It could also be the case in other Community countries. Furthermore, to many people the priority in Belgium seems to be reducing the cost of energy as a way for reducing business costs.

Mr President, we Socialists have frequently been disappointed by guidelines laid down by the European Council and specialists Council meetings, when they ignore workers legitimate hopes or attack them directly. We are the largest group in this Assembly. Many of the suggestions and proposals we made have still met with no response. The Europe we wish to build is, and will remain the Europe of the working man. Were we to continue along the route set out at Maastricht, at Breda and at the Social Affairs Council — amongst others — the Europe we are building might well remain the Europe of the privileged, and in our view that would be a disaster.

*(Applause)*

IN THE CHAIR: MR KATZER

*Vice-President*

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Klepsch.** — *(DE)* Mr President, ladies and gentlemen, the result of the Maastricht Summit satis-

**Klepsch**

fied no one, and the public reaction to it was rightly unfavourable. I am afraid that we cannot allow ourselves many more such failures if we are to avoid shaking the confidence of our people in the continued existence and development of the European Community.

There are two main things which prompt me to make these critical observations. From the institutional point of view, I deplore the fact that one of the three Community institutions — the Council — occasionally comes up against major problems in reaching decisions. The fact is, though, that a sensible system of cooperation between the European Parliament, the Council and the Commission is essential if we are to fulfil our European mission.

That mission — moving on from the institutional to the substantive point of criticism — is clearly mapped out as far as my Group is concerned. What we want is a politically unified Europe of free people. Anything that is done to take us closer to this goal will receive our support. Likewise, anything that is done to divert us from that goal will meet with our criticism.

*(Applause)*

We are facing major problems which will have to be solved by the time Spain and Portugal become members of the Community in 1983 or 1984. The topics of the future — Economic and Monetary Union, development of European Political Cooperation to take the form of a common foreign and security policy, and the Community's own resources — will demand our full concentration. It is therefore all the more important that the summit should at last turn to its main political tasks once again.

The European Council does not exist to discuss a plethora of details. Its job is to reach political decisions. The members of the Council are not high-powered bookkeepers. Their job is to ensure that the European Community develops — not to hamper that development . . .

*(Applause)*

. . . That means that national self-seeking must be replaced by a European view of things, and that the search for the lowest common denominator should be replaced by the pursuit of aims which are in the unanimity principle, as it is being applied at present, is one of the main obstacles on the road to a more Community-orientated policy . . .

*(Applause)*

. . . Let us not forget, though, that in view of the multitude of speeches, we need something akin to leadership, otherwise the whole thing will fall apart. I trust that this appeal will not go unheard. At the moment, Europe is experiencing critical developments in various

spheres. Unemployment, recession and inflation on the one hand and an unstable balance between the major power blocks on the other hand are the main problems we shall have to come to terms with.

While the threat of invasion still looms over Poland, Europe cannot indulge in the outrageous luxury of speaking with ten voices rather than with one voice. The conclusion we must draw from all this is that European political cooperation must once again become our major political concern, and we must act politically rather than going to the Court of Justice to refight a budget battle which has already been lost . . .

*(Applause)*

. . . The lack of any agreement on fisheries policy, which Chancellor Schmidt rightly complained so bitterly about, illustrates all the opportunities and limitations of intergovernmentalism. Only an intergovernmentalist could be really disappointed at the fact that his financial concessions did not meet with sufficient respect from his British counterpart.

Any attempt to bundle different interests into a single package is bound to fail in a Community of Ten because it is inevitable that not everyone will find precisely what he is looking for in the package. The dilemma can only be resolved by a more federalist spirit. Another thing brought out by the Maastricht Summit and the likewise ill-starred Fisheries Council of 27 March is that the whole concept of a common fisheries policy was wrong. Before we can successfully negotiate with third countries on matters to do with fishing, we must first of all reach agreement on fishing in Community waters, and not vice versa. The blame for the damage done to the Community should be placed at the door of those who have blocked an agreement to Community waters. The fact that the same people are now also blocking fishing in extra-Community waters is merely a result of the fundamentally wrong approach.

For the first time, the European Council identified the causes of economic mistakes made by the Community — with admirable clarity — and gave notice of a nasty but necessary medicine. Structural strengthening of the European economy by reducing production costs and increasing productive investment and productivity are all bywords which have long features in resolutions adopted by the European Parliament.

The problem is only who is to administer the medicine to the patient. Nothing was said about this. Of course, it is right that steps be taken against the policy of high interest rates and that it is worthwhile studying the inflation-fuelling effect of indexed incomes. However, the European Parliament has a right to expect therapy to follow on from diagnosis. The same applies to the attempts being made to bring about structural reorganization in certain industries. The basic problem here is one of competitive distortion, which has come

**Klepsch**

about as a result of the excessively liberal use of national subsidies. The vague declarations to the effect that these are to be eliminated step-by-step are of little use. What is needed is a binding timetable.

Ladies and gentlemen, these are only a few examples of what I mean. However, we should not be too pessimistic. There is after all a basic fund of common European endeavour which we should conserve at all costs. There is a consensus of opinion between Parliament, the Council and the Commission on the central political issues like practical solidarity with Poland and our assessment of the CSCE follow-up conference in Madrid. The fact that a decision has been taken on agricultural prices is, in my opinion, an important step forward. I am pleased to note that the European Parliament lived up to its reputation as a trendsetter in this respect too.

This is the basis on which we offer our cooperation to the Council. Our thanks are due to the Netherlands Presidency, and especially to you, Mr President-in-Office, and to Mr Van Agt, for consistently seeking a dialogue. We appreciate what efforts the Dutch Presidency has made to achieve genuine results, despite the fact that, on the whole, success has eluded you.

What we want is cooperation rather than confrontation, but — as in the past — we shall not hesitate to act if others prove to be incapable of acting and reaching decisions. This applies to the question of Parliament's seat as well as to budgetary policy. We shall not solve the problems by putting them on the shelf. The people of Europe do not appreciate lofty statements followed by minimal results, or by no results at all. Allow me to make one small plea. Remember the European passport, and let us have that at least by the beginning of 1982. Surely we shall not have to explain to our voters again in 1984 that the Council decided on the introduction of the European passport from 1 January 1979. Let us make a fresh start at this critical moment in time. You may rest assured that the Group of the European People's Party will take whatever initiative is necessary.

*(Applause)*

**President.** — I call the European Democratic Group.

**Lady Elles.** — Mr President, the presence of the Foreign Minister as President-in-Office of the Council of course explains, but does not excuse, the absence of the Prime Minister of the Netherlands. While my Group thanks most warmly the President-in-Office for his statement and the explanation on this point, he will no doubt be aware of the underlying reasons for this decision and the refusal both to implement the proposal contained in the report of the Three Wise Men and to accept the invitation of the Political Affairs Committee is more than regrettable. On the

maintenance of the status quo regarding the provisional seat of the Parliament, to which of course many colleagues have already referred, my Group regard this as simply a non-decision. The Council still have until June 15 to make a decision but if they fail, as the President-in-Office well knows, the Parliament will take the matter into its own hands.

The President-in-Office cryptically referred to the administrative and financial objections to the present situation. That, as the President-in-Office will accept, was a very diplomatic statement. He knows perfectly well, as do all my colleagues, that the situation is intolerable. The continuation of the peripatetic and nomadic existence of this institution, if it is to be taken at all seriously, must cease, together with the consequent ineffectiveness, incompetence and unnecessarily excessive expenditure. If this Council meeting at Maastricht was to give a time for reflection, as has been said, the Council must also recognize that what the citizens of the Community are asking for are leadership and decisions and guidelines on matters which affect their daily lives. The very fact that there was such a wide variety of subjects discussed meant that there could not be any of these much-needed decisions nor these major guidelines, and I concur wholeheartedly with what Mr Klepsch has said about the failure of the Council to give any feeling of leadership to the citizens and which they are so much wanting.

Two matters however, I think, do deserve comment. The first is that there is through the mist of all this rather vague verbiage one gleam of hope. That is that at last the Council have looked, as I understand it, more critically at some of the economic and social shibboleths which have been destroying our economies for so long. I am referring to the fact of wage indexing, which undoubtedly is a contributory cause of the maintenance of inflation. I very much welcome the fact that the Council have accepted that inflation is the major cause of unemployment and of lack of prosperity and lack of economic growth. Certainly my Group strongly agrees with that aspect of the policy statement of the Council.

But as Mr Klepsch also said, let us not forget when we make all these statements about the situation of the economy in the Community that the Community now has the highest GDP in the whole of the world. Let us not continue to run ourselves down as though we were a socialist or marxist economy. Thank God we still have a free market economy which does enable our citizens at least to live comparatively well, compared with any other part of the world.

I think that note should also be taken of the Council comment, and I quote, that the Community can further contribute to economic recovery by ensuring that the existing funds and financial mechanisms contribute as much as possible to agreed social and economic objectives and the reduction of unemployment. But, Mr President, how on earth does the

Elles

Council expect us to do that when the Agricultural Council has just taken a decision on farm prices which is going to take about 70% of the existing own resources of the Community? I do not question the decision on the farm prices; if we are to give an equitable deal to our farmers, all right, but then the Council must accept that if we are to use the economic funds and mechanisms available they must consider new ways of raising own resources.

I put it to the Commission that if they are considering restructuring the policies of the Community, one of the first things they will have to look at is where the money to implement those policies is to come from. They will obviously consider raising a very arbitrary figure of an additional 1% of VAT. There is nothing miraculous in a figure of 1%, as I believe I heard the President of the Commission say not very long ago. Perhaps he will renew the miracle and remove the 1%, if the Parliament and if the Community are to be able to contribute effectively to the improvement of prosperity and progress.

I just want to turn for two minutes to the question of the pressure of external events, particularly the troop movements in and around the territory of Poland. If ever there was evidence of a need for a Community foreign policy, for joint decision and joint action, surely that is it. The Soviet Union should be formally and specifically reminded of its international legal obligations under the Charter of the United Nations, in particular the respect of territorial sovereignty and independence and non-interference in the internal affairs of States. How often have we heard in the United Nations these words being glibly tripped off the tongue of Soviet diplomats when areas of their concern and interest have become the object of scrutiny from Western powers. Let the scrutiny now be turned on them and the comments thrown back at them. They, after all, supported by vote and by statement in 1970 the declaration on friendly relations and cooperation among peoples which specifically refers to non-interference. After all, the Helsinki Final Act, as we know, was originally a creature of Soviet foreign policy. That again re-emphasizes the duty on all signatories not to interfere in internal affairs, to say nothing of reporting on major manoeuvres which apparently the Soviet Union has not bothered to do in the case of Soviet troops in and around the territory of Poland.

To those of us who have always recognized that the Soviet Union regards no treaty as legally binding except on grounds of expediency and temporary advantage, and to those who know perfectly well that détente only means keeping the West quiet while the Soviet Union continues its inexorable global and imperialistic expansion either by subversion or by force of arms, the present situation is not a surprise but it certainly demands action and reaction from the Community. I do not think that so far the Council has shown itself willing to take on that responsibility. The situation does, however, reinforce the fact that

socialist States ultimately can only be kept on the socialist road by force of arms and oppression and not by democratic means. Socialism does not mean peace, it means destruction of human freedom and the world has had too many examples, including Hungary and Czechoslovakia, to believe anything else.

In fact the condemnation has come from the mouth of Pravda itself — truth, as I believe the translation is of Pravda. Free trade unions are a serious threat to the foundations of a Socialist system in Poland. I am sure Mr Glinne has taken note of that one. The harsh reality is that the socialist States have objected to the Polish Congress, which is hoping to have a secret ballot in July and a pluralist number of candidates. That again they object to. So much for our Socialist and Communist friends in this Parliament, if that is really what Socialism means.

But, Mr President, the Community must decide and act together in its reaction. Urgent study should be made of the weapon of trade in technological and agricultural products as an arm of foreign policy, as a compelling instrument against the Soviet Union in an attempt to prevent that country from using more harmful and more oppressive weapons against a proud and independent people. The need for food aid is recognized by the Council. It is recognized by all of us in this Parliament, as has already been movingly made clear. But I would request the Commission to control the distribution of that food aid and see that it is known to the Polish people that it comes from the West and not from the East and to take every measure to ensure that these measures are implemented. Also that the Polish people should be informed by every means, by the mass media of radio, television etc. or whatever other means are available, that the West is supporting them in their struggle to retain some measure of independence against what we can only deplore once more as the threat of a Soviet invasion.

*(Applause from the Liberal and Democratic Group)*

**President.** — I call the Communist and Allies Group.

**Mr Pajetta.** — *(IT)* Mr President, ladies and gentlemen, the President-in-Office began his speech with some optimism but then he seems to have become rather sad, even ironical, since if it were not the case I would not be listing all the internal problems — fishing, passports, seats — which he referred to, becoming more and more mournful as he did so.

I should add that after him, Mr Thorn was trying to say the same thing whilst saying nothing, but in a more lively way, as an attempt to justify the words he used with the journalists at the press conference, when he said that he didn't know whether at Maastricht the glass in front of him had been half full or half empty:

**Pajetta**

one thing which is certain, Mr Thorn, is that it was no glass of wine.

We have got to tackle the crisis within the Community and the crisis around Europe. I even find myself in agreement with Mr Klepsch, when he says that we should not be behaving like accountants but that we should be dealing, if we can, with policies. We have to define a role for Europe. As we have said before, the problem is not that of being a third block, but of not waiting apathetically, talking about passports and seats, whilst the real blocks, that is those whose decision-making is that of blocks, make their decisions for Europe.

We must not for the future preclude any specific role for Europe by using the excuse that the world is divided rigidly into two and that any attempt by our Community to seek responsibility and independence would be deserting or betraying our allies. We must make it plain that such a division does not already exist, is not inevitable. It should be our view that internal dialectic is not harmful to an alliance and that as such it is a responsibility to us as a Community. The process of European integration must not wait on what the Americans decide or on what the Soviets do. This, I think, is the main problem, and it explains what was called by some the Maastricht 'disaster', whilst others merely called it 'lethargy'. We cannot continue with the present situation in which there exists only the confrontation between the Atlantic Alliance, increasingly influenced and controlled by the United States, and the Warsaw Pact: by doing so we deny ourselves something we should be regarding as essential. Europe must not be afraid of standing alone, it should feel duty-bound to do so: we must not appear capable only of vague policies and of general hopes stemming mainly from our pursuit of formal balance. Somebody — I think it was the President-in-Office or perhaps Mr Thorn — said that some decisions cannot be taken because they would have effects on the electoral campaigns of such and such a future President. It is my belief that in such circumstances we cannot afford the luxury of being so besotted.

No mention has been made so far — perhaps because it is the only subject on which something ought to be said — and done — about Spain. I would like to remind the Netherlands' Foreign Minister of that. A word of respect has been addressed to the king of Spain, and we have congratulated ourselves that the *coup d'état* failed, but if we do not help Spain to join the Community quickly, we believe that some effective help may be given with one of these pieces of paper — one of the mountain of documents in which urgent debate is requested only the day before the vote.

Spain will never make any progress unless its entry into the Community is speeded up. However, ladies and gentlemen, we must not go backwards for the Middle East either. And on the subject of the Middle East, I am gratified by the visit of the President of the

Commission to the Middle East, and I am gratified by what he has said, except for the fact that after listening to his speech I know absolutely nothing more than I knew beforehand, and I think we have lost ground, because we did not react when the US described organizations such as the PLO, which have been recognized by some Member States, as rebel, even terrorist movements. Even though I belong to the Italian opposition I can say that our Foreign Minister met Mr Khadumi for four hours, the Foreign Minister of the same PLO that we are so scared of mentioning.

As for the question of Poland, I join in the wish for a 'Polish' solution — which is the only possible solution — and for action (I address myself to the English lady) which benefits not our electoral aims, which will not help win another vote or two, but which will benefit the people of Poland, and, if possible, the cause of peace in Europe. This is why I find it strange that no-one has considered exactly what lies behind Brezhnev's words. I am not asking you to accept them just because he is Brezhnev and I am a communist, but I would ask you to consider them, to understand that when we speak of euromissiles, when we are concerned by relevance, and by the problems of the escape clause — as the Italian socialists are — we are facing a problem which we cannot skim over.

Precisely because our English lady colleague raised the question in this debate, I should like to conclude with a word about inflation, which we all agree about, Inflation is something to be feared and to be fought, but I should like to remind our conservative colleague that when there is inflation, it is perhaps the conservatives who pay least for it. Having said that, we do not believe, as certain conservative Italian elements do, that the problem of indexation can be tackled internationally, and that is why you should be aware that every Italian worker, no matter what party he belongs to, will be united in the fight to bend automatic wage rises and indexation.

**President.** — I call the Liberal and Democratic Group.

**Mr Berkhower.** — (NL) Mr President, I should like to divide my remarks up into three sections, dealing with the institutional situation, the question of European citizenship and the world political situation, concentrating on Poland.

Let me begin with the institutional situation. The superficial extent to which the concept of the European Council as an institution has taken root in the European scheme of things is best illustrated by the fact that no less a person than Mr Thorn — along with Mr Klepsch, who is now unfortunately not in the Chamber — referred to the recent meeting as a summit. In other words we are still referring to these meetings as summits and meetings of the 'European Council'. What are we supposed to make of all this?

**Berkhouwer**

What's the point? Whatever it is, I should like to ask the Dutch President-in-Office of the Council — a Council which is an integral part of the Community set-up and a Community institution in its own right — why Mr van Agt is not here today. Let us make no bones about this, Mr President — the fact is that Mr van Agt could not obtain a mandate to appear by the European Council acting as the Council. That is the truth of the matter and it is something we must state quite clearly and categorically, because the Dutch Foreign Minister perhaps cannot do so, no matter what hat he happens to be wearing. It is right and proper that we should make this point, because that is the way to get a dialogue going with the European Council as such, which is after all a para-Treaty institution. We acknowledge the good intentions of the Dutch Foreign Minister, but when he comes here and says that Mr van Agt is with him in spirit, we are bound to reply that that is really not the point. We are also perfectly well aware that the Dutch Foreign Minister is responsible for Dutch foreign policy, but the real point at issue is who should represent the European Council as a para-Treaty institution here before the European Parliament. The positive aspect of Mr van der Klaauw's speech was his contention that a dialogue must take place and that the European Parliament is the appropriate parliamentary and democratic institution to act as the Council's counterpart in this dialogue.

I share this view with Mr Jenkins. That is the line we must take, because in order to have parliamentary democratic control there is no alternative to having, not the President-in-Office of the Council of Ministers, but the President of the European Council appear before us here. I believe that, in this respect, my views are similar to those of Lady Elles.

So much for my remarks on the European institutions.

Before moving on to my second main point concerning European citizenship, I should like to comment briefly on the question of Parliament's seat. All there is to say about this is that the European Council was not really very well advised to come out and say quite bluntly that things would stay as they are and that was all there was to it. Is that the way to go about seeking a dialogue or does it not rather amount to fanning the flames of conflict? My Group is still willing to discuss ways of getting out of the imminent impasse, because it seems to me that there is little chance of the Member States' governments complying with our 15 June ultimatum.

At least in the question of European citizenship — a Europe of the people — there are some promising signs. I still hold out the hope of ascending into the European firmament side by side with Mr van der Klaauw — I as the initiator of this project and he as its final implementer right at the end of his period of office. We shall be discussing this point again this afternoon at Question Time, and I hope that my

words will inspire the ministers to adopt a positive stance this afternoon.

Mr President, Poland has often been the tinder-box of great conflagrations throughout the history of Europe and the world. The Polish people are in a desperate situation. According to latest reports, there are now no longer queues outside the shops because there is no longer any point in queueing — the shops have been cleaned out. Meanwhile, we are throwing millions of loaves of bread a year away into the rubbish bin, at a time when bread will very soon be rationed in Poland. That is the sad reality of life today. While our children's teeth are rotting because of all the chocolate they eat, the Polish children are to be rationed to a little bar of chocolate a month as part of a hand-out. What we have here is the question of guns or butter which people were confronted with in the Third Reich. The totalitarian countries, Mr President, tend to forget butter and meat, but never forget such things as army boots and the guns and tanks for soldiers to man. The Council statement had an outstanding comment to make on the Helsinki Final Act — and here I would go along with what Lady Elles had to say. But Europe must stand four-square behind these fine words uttered by the European Council meeting in Maastricht. There must be deeds to match these words. As regards the sending of food to the hungry Polish people, Mr President, let us prove that the Europe of Ten is not a rich businessmen's club, but a humanitarian organization. Let us show that our sense of Europeaness extends to the ancient European nation of Poland. And if transport is proving to be a problem at the moment, Mr Thorn and Mr van der Klaauw, for God's sake do everything in your power to get things moving. Let us bear the cost of sending food aid to Poland so that food and drink can be sent on its way from the heart of Europe, from Western Europe, to the Polish people to show those people that they can rely on us here in Europe to satisfy their hunger and quench their thirst. The Poles will then realize that, in this respect, we differ fundamentally from other totalitarian powers elsewhere in the world.

*(Applause)*

**President.** — I call the European Progressive Democrats.

**Mr Nyborg.** — *(DA)* Mr President, on behalf of my Group I should like to say a few words about the Summit in Maastricht. I must say that we are not hopeful about seeing any results in the form of political directives following the meetings of the European Council. As I understand it there was talk of Europe, but not so terribly much about a European policy, a common policy.

Once again we have witnessed a meeting of the European Council where the focus was on national inter-

**Nyborg**

ests. The British Prime Minister once again displayed obvious contempt for agreements entered into. Last year when the eight other governments allowed themselves to be pressed into reducing the British contribution to the Community budget, one of the conditions was that Britain would not block a common fisheries policy.

In my intervention here on 18 June last year I expressed misgivings about Britain's intentions. Today I must unfortunately observe that my worst prophecies have been fulfilled. It seems that my conservative colleagues here in the House have not been able to convince the British Prime Minister of the irresponsibility of this attitude. The Chancellor of the Federal Republic, Mr Helmut Schmidt, has expressed his great disappointment and his unwillingness to continue footing the lion's share of the bill.

For the little Member State that I come from, we are not talking here of a small sector's working conditions. Traditionally, Denmark has had the biggest fishing fleet in the EEC and the fishing industry plays a very large and important role in the country's economy, while in the case of Greenland it is predominant. For this reason, it must be made clear that the Community does not exist to allow one country to grab as much as possible at the expense of the other countries. By her behaviour in Maastricht, Mrs Margaret Thatcher has jeopardized the whole Community's existence. But for all I know perhaps that was what was intended!

The general lack of resolve was unfortunately also evident on the question of the seat of the European Parliament, where it was virtually decided not to take any decision. There is no other way of describing this so-called status quo solution. We must find a fixed seat for the institution. It has been evident and will be evident also during this part-session — this is particularly true of tomorrow's agenda — that our workload is so great that it is impossible for individual members to express their opinions on the very important political issues which arise in any adequate manner. For this reason I must continue to urge that we agree on a single seat for Parliament so that we can have a reasonable work routine and a reasonable political dialogue.

**President.** — I call Lady Elles on a point of order.

**Lady Elles.** — Mr President, I just wish to protest against the way the last speaker, Mr Nyborg, spoke of my Prime Minister. He spoke without knowledge and in total ignorance of what went on at the Council. He was not there. My Prime Minister acted not only on behalf of the interests of the United Kingdom, but also in the interest of the European Community. I hope very much that when he speaks of his own fishing villages and fishing problems he will do so in his own country and not in this Parliament.

**President.** — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

**Mr Capanna.** — *(IT)* Mr President, Mr Van der Klaauw has been telling us about the satisfactory outcome of the Maastricht Summit. I shall have to disagree with him. Apart from the physical upset which attacked a number of camp followers at the Summit, we also saw signs of an attack of mental upset. Mr van der Klaauw has just told us that we have adopted a 'cautious approach' in our policy towards monetary questions in our dealings with the United States — and that at a time when the strengthening of the dollar against western currencies is being used as a sort of death ray to liquidate European currencies. In other words, it is basically a policy of servility now that the icy Atlantic wind of the new Reagan administration has started to blow on Europe too, where we are carrying out a policy of deflation, not least in my own country. That means, as we all know, an increase, and not a decrease in unemployment. Other Members already know that official statistics, approximate thought they may be, already indicate almost nine million unemployed in the ten Member States of this Community.

As regards the Middle East, Mr Van der Klaauw said that we are having 'an encouraging dialogue' with the Arab world. It isn't true! Here I must agree with what Mr Pajetta has already said. As far as the Arab world and the Middle East are concerned, Europe is pursuing an elusive dialogue, and that is the kind way of describing it: Europe is not talking with the Middle East, it is stammering. Europe, in fact, is determined not to tackle the real question, which is recognizing the rights of the PLO. The fact is that, in the Lebanon, the UN forces are not being attacked by Palestinian fedayeen but by the right-wing supporters of Beshir Gemayel and by the fascists of Major Haddad, who are being supplied with arms and finance by Israel.

So, ladies and gentlemen, it is now no longer my own poor voice alone which says that the Ten should recognize the PLO as the legitimate representatives of the Palestinian people. Alas, though, what can be heard apart from my voice is the rumble of guns in Beirut and Zahle. I trust that this will be the beginning of our understanding that Europe needs to play a decisive role in bringing about peace in that part of the world, recognizing the PLO in the knowledge that that is the decisive gesture without which the flame of war will never be extinguished in the Middle East.

**President.** — I call the non-attached Members.

**Mr De Goede.** — *(NL)* Mr President, if we take a peep behind the veil of simulated satisfaction at the result of the Maastricht Summit, we shall find a

## De Goede

number of things which give this House at least very little cause for satisfaction. We still have no solution to the fishery problem, once again thanks to Mrs Thatcher, who can think of nothing better to do than continually throw spanners into the European works. First of all, she used the question of the British contribution to the budget to paralyze the process of Community cooperation; then she went her own way on the question of sanctions against Iran, and now she is stubbornly refusing to provide any help towards finding a solution to the fishery problem. For Lady Elles's sake I am sorry to have to say this.

There is also disappointment at the renewed failure to find a solution to the problems of the steel industry. But above all, there is bound to be serious concern at the fact that there is still not the slightest sign of a solution to the major economic and social problem facing us today — the inexorably rising level of unemployment. The Community's off-hand attitude in this respect is alienating our own citizens, and that is a dangerous development. Ex-Commissioner Vredeling gave a summary recently in a Dutch newspaper of all the statements that have been issued on this point since 1972, and the striking point was their close similarity to each other. Mr Vredeling went on to say that one did not necessarily have to be suffering from food-poisoning to feel as sick as a parrot at the foot-dragging attitude of the Council on this priority matter. I wholeheartedly support Mr Vredeling's remarks. We have had plenty of fine words. What we need now is a well-prepared meeting of the Jumbo Council, but what has the Dutch Presidency done so far in this respect? I should appreciate an answer to this question. As a Dutchman myself, I am slowly but surely beginning to feel ashamed at this lack of action. No-one has been canonized yet for professing his European beliefs. When are we going to see the good works?

Things are not much better as regards a permanent seat for the European Parliament. On the contrary, the situation has deteriorated. It was with a sense of amazement and disillusionment that I took note of what the communiqué had to say about the maintenance of the status quo. What this boils down to is the affirmation of an untenable situation. And all this came about without any heed being paid to the urgent request formulated by this House in its resolution last November for it to be consulted on the matter. At the time, I tabled an amendment to try to get a decision taken in a certain direction. Parliament's permanent seat must be where the executive is. Of course, this is a difficult matter, and I should like to ask Mr Thorn to explain in a little more detail what he meant by his public statement to the effect that a final decision was in the offing.

Mr President, it is my view that this House should now move quickly, take the initiative and have the courage and sense to put an end to the enormous wastage of time and money caused by our itinerant working habits, which have now rightly been

denounced in public. For heaven's sake, let's not make the situation any worse by moving committee meetings which have taken place in Brussels since 1958 to Luxembourg. Anyway, what precisely is meant by the status quo? I would very much appreciate more details on what is a very urgent matter.

On Poland, the Middle East and Afghanistan, I agree that we should adopt a common attitude. Especially as regards Poland, a clear and vigorous stance in concert with that adopted by the US Administration is essential to ensuring that the enslaved but courageous Polish people can at last enjoy the fruits of a little more freedom, a little less poverty, a little more independence and a little less oppression. Nor would it have done any harm for something to be made known as regards our views on Turkey. Why was there no statement on Turkey along the same lines as that on Spain? Are we only satisfied if something undesirable is avoided, as in Spain? And are we not dissatisfied at the continuation of an undesirable situation, as in Turkey? I would appreciate a more detailed statement from the Presidency on this point.

Mr President, I should like to conclude by expressing the hope that the Dutch Presidency will, in the second half of its six months in office, manage to avoid what I can only call the reprehensible foot-dragging which has characterized its so-called leadership so far, and instead show a little more courage and inspiration. It would seem that Mr van Agt will not be appearing before us in this House. So be it, but we would prefer to see some definite sign of effective leadership in the formulation of European policy.

**President.** — I call Mr Arndt.

**Mr Arndt.** — (DE) Mr President, as the President-in-Office of the Council said in his introduction, the Province of Limburg and the City of Maastricht had the honour of playing host to the meeting of the European Council, but I must say that such a beautiful province and such a charming city do not deserve the opprobrium of being linked with the ineptitude of the European Council. What happened at the summit was profoundly disappointing for most Europeans, generating enthusiasm only among the opponents of the European Community.

Mr Thorn said that, in view of the circumstances surrounding the meeting, the result was quite praiseworthy. I can only assume that he was talking about some other meeting than the one the press reported on and the Federal German Chancellor reported back on to the German Bundestag. There has been some discussion here as to whether the meeting should be referred to as a summit at all. Mr Berkhouwer stated his views quite clearly to the effect that it was decidedly not a summit meeting. Personally, I would say that it was indeed a summit of a kind — the very

**Arndt**

epitome of national self-seeking and of cowardly failure to find a solution to difficult problems.

*(Applause)*

I should like to urge Mr Thorn and his colleagues in the Commission to take a hard line. There is no point in trying to use fine words to steer a safe course around the towering rocks between you and the successful pursuit of the European ideal — rocks which look all the more menacing in view of the Council's abject failure. I beg your pardon for saying so, but at the moment, the Commission gives a somewhat jelly-like impression. What you really need is a will of iron in your pursuit of the European ideal. Let me illustrate what I meant just now by the case of agricultural prices, which had some part to play in this whole affair.

The President-in-Office of the Council described the meeting as a success. The Commission said before the meeting that their proposals were to be regarded as a package which could only be adopted as a package, and not piecemeal. Now, though, after the decision taken by the Council of Agriculture Ministers, the Commission says quite happily that progress has been made. I must say that I was profoundly disappointed at the decision taken by the European Parliament, but compared with the decision taken by the Agriculture Ministers on agricultural prices, Parliament certainly did a good deal better than the Council.

Here again, it is my view that no progress has been made.

Moving on to the steel industry, the fact is that no European solutions have been put forward so far, and that the forces of national self-seeking are having a field day. While I am on this point, I must add a word or two about fishing, precisely because this is a classic instance of how — in a basically simple matter — anti-European sentiments can suddenly be aroused in many parts of Europe, because those directly affected feel that it must surely be possible to reach an agreement.

It is perhaps fortunate that Lady Elles is not in the chamber at the moment, because if she were, she would probably protest angrily about what I am about to say now. We made a show of European solidarity on the issue of the British contribution to the Community budget, but it is about time someone told the British Prime Minister in no uncertain terms that solidarity is not a one-way street. Her attitude in this matter is cold-hearted, narrow-minded and unfair in the extreme. It would appear that Mrs Thatcher regards money and not people as the central elements of her policies, otherwise she would surely take more of an interest in the fate of fishermen in France and Germany.

It was said that the European Council had found a number of forward-looking formulations on unemployment, but we have had plenty of them in the past. I should just like to draw your attention to the fact that, right from the first meeting of this House, many of the Members have said that one of the major European problems facing us is the need to tackle unemployment. But what response have we had over recent years from the Council? Fine words, indeed, but no action. That is a criticism which can justifiably be levelled at the Council of Ministers and the European Council.

The decision on Parliament's permanent seat is typical of how things are done in Europe. The President-in-Office of the Council has stated that there is to be no change to the provisional status quo, adding that the European Council had thus demonstrated a sense of realism in that no other decision was open to it. The realities the European Council is apparently so well in touch with are that, whenever a problem arises anywhere in Europe, the European Council and the Council of Ministers keep their heads down and decide to make no decision at all. By doing so, though, they are doing Europe a disservice. I am not a nomad and I have no desire to spend my life on the move. I am a citizen of Europe who enjoys the sense of being settled, and I include the European Parliament in this.

Ladies and gentlemen, the only real conclusion we can draw from this meeting of the European Council is that — as my Group and I have said often enough here in the past — the European ideal can at the present time only be salvaged — salvaged, you will note, not furthered — if Parliament recognizes that it must fill the vacuum left by the indecisiveness of the Council of Ministers and the European Council, and that it is our duty to take decisions instead of those institutions which have failed to do so.

However, we shall only be in a position to do that if we are prepared to seek elements of harmony within the House rather than deliberately pursuing divisiveness. This House can make a major contribution to the European ideal if it is prepared to endeavour — in place of the European Council and the Council of Ministers — to seek large majorities in favour of what Europe needs most urgently. I should like to address this appeal to all the Members of this House as the real result of the meeting of the European Council.

**President.** — I call Mr Rumor.

**Mr Rumor.** — *(IT)* Mr President, I should like if I may to address myself to the President of the Council of Ministers and reply to his statement, since it was in my capacity as chairman of the Political Affairs Committee that I asked you, Mr President, to ask the President-in-Office of the Council to speak in this debate.

## Rumor

I have heard your speech, Mr President-in-Office, but I cannot genuinely share your views. Indeed, I feel that even at the highest levels of political office, the weight and authority of the Parliament elected by the people of Europe, which is thus the most representative embodiment of their will and their independence, should be valued.

There is a second point which I should like to make. I share the opinion of Mr Klepsch on the disappointing outcome of Maastricht, an opinion which is moreover held by others. He has pointed out just how close Europe is to being swamped — if indeed we are not so already — of entering a period of stagnation, of paralysis. And we are concerned that from such high levels of political responsibility, where we expect to find good will and agreement, what we find instead is like a drop in voltage, a failure of the political will to help Europe escape from the labyrinth of international relations and help our continent emerge as the great political, institutional and economic development of this century. For this reason I am in agreement with Mr Arndt: the power of this Parliament to propose (legislation) should be extended. I should like to dwell for a moment on one particular point here: the question of institutional policy.

We are truly now at a point where decisions have to be taken. It is now 24 years since the Treaty of Rome and it is high time that we looked hard at our own views about the institutions. We have to ask ourselves where the Treaty has still not been fulfilled, and where it has been distorted, and get back to its letter and its spirit; where we find that it is inadequate or equivocal we must tackle the problem of how to clarify it and complete it; if it turns out that the Treaty is insufficient for the development which has taken place so far and that which we shall need for the first moves towards European union then it will have to be amended. The repeated statements of the 1972 and 1973 summits and the European Council of 1974 make it clear that unless there is a coherent institutional base serving its intended purpose, and unless there is real progress towards true European democracy, the grand design will never be achieved. Unfortunately the political will that has been expressed is not being reflected in political activity. Both have to be re-established quickly, and before we can make any further progress the whole of the Treaty and what it established must be respected and implemented.

The Commission must defend and exercise fully its responsibilities to propose and manage within the rights conferred by the Treaty. The Council must abandon its paralysing, irritating, sometimes black-mailing practice of deciding by unanimity. No-one fails to recognize a major and political interest of any individual country as part of the general interest of the Community, but no such respect is due to the mighty egotism which hinders the already difficult way forward for the Community with long drawn out quarrels. An irresistible change has come over the

status, the power and the political rights within the Community of the European Parliament since its direct election by the people of Europe. It is from this aspect that the political and institutional basis of the Community must be reconsidered; without haste, without a radical upheaval, without posturing and demagoguery, but also without abandoning or betraying the fact that a new page of history is about to be written.

One last thought. We must involve national parliaments in this great plan. We must put to them now, and make all the citizens of Europe who we represent aware of it at the same time. That is to say that we must suggest the ways and means by which we should obtain the wholehearted interest and participation of national parliaments in the working and the development of progress within the Community. We must do it and we ought to do it, because those parliaments have their own strong influence over the economic and social provisions of their own individual countries both in day-to-day affairs and in the long term.

Mr President, Parliament's initiatives on the institutional front to which I referred first are already being prepared. The Political Affairs Committee will during the coming months be presenting to this Assembly its first series of proposals, which have been carefully drawn up and which will have a profound and innovative effect on relations between institutions, particularly as regards the Parliament itself and its central political role. The way in which these proposals are received, not only in this House but in the other institutions, will be the first real test of the will to give our Community, little by little, a heart and a soul — the heart and the soul which it needs for Europe to become itself and to become a force for humanity and for peace in the world.

**President.** — I call Mr Fergusson.

**Mr Fergusson.** — Mr President, I think we are in no doubt this morning that the world has already become a much more dangerous place than it was, and must have seemed, in Maastricht when the Heads of Government of the Ten drew up the largely non-committal report which has been presented to us once more, second-hand, today. It may be that if the President of the European Council were himself here to tell us more, for example, about the satisfaction with which they noted this, or the conviction with which they stressed that, or the concern with which they viewed the other thing, we would have had a little more to go on. It may be that the Maastricht exchanges were as benevolent as represented, or occasionally as acid as some of the press reports suggested. But somehow there remains a gap between what the ten leaders can agree to say in public and the realities which concern and at worst alarm the public as a whole.

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Among the matters that rightly came up at Maastricht one was the seat of Parliament and we all know, of course, that it is intensely difficult and an emotional and political problem which has daunted the Community for years. But this is all the more reason for tackling it rather than let the Parliament carry on as we have seen, especially during the last 3 or 4 weeks, in a situation of increasing muddle and ill-feeling and mounting expense. What Mr Klaauw called the least imperfect solution was, in fact, a non-solution.

It is one thing for Mr Thorn to warn against false expectations and instant decisions, but it is impossible not to contrast the lack of decision on vital matters with the single positive decision taken by the European Council on a tentative step towards having a common European passport. It is invidious and odious on the matter of fish for the gentlemen opposite to have taken that particular view and to have expressed it in such a way about the United Kingdom Prime Minister, saying, I think, that she thought about nothing except money, or that she was unreasonably intransigent over refusing to combine a financial settlement with a settlement over fish. There are others who regard the settlement over fish as being held up equally by the fact that the French elections are upon us and believe that nothing will be done until those elections are over.

We all know as well that if you take the Ministers of Fisheries or the Agricultural Ministers aside privately and ask them what is really behind it, they will say that the problem over fish dates right back to the fisheries agreement reached by the Six nearly ten years ago, a mere 24 hours before the accession to the Community of the two largest fishery nations in Europe, one of which, in consequence, refused to join the Community. It should not really surprise anybody that the other nation, the other fishery nation, now insists on a package settlement rather than a piecemeal settlement to suit immediate political conditions among the partners. But it should worry us much more that, these national considerations apart, with the fishing communities of half-a-dozen countries desperately needing an agreement now, the Heads of State could do no better than express concern and invite the Fishery Ministers to try again, which, of course, they did, without result.

The Community does not yet have a government elected on a programme. That is why it is possible for a European Council programme and a Council of Ministers' programme to be so self-evidently missing, just as the Commission's programme is still missing so far as we are concerned. Even if, as Mr Thorn says, miracles are impossible, it is not a policy on, for example, unemployment simply to disapprove of it.

Now that was the fisheries and that was the seat. Another matter I want to bring up — it has been brought up before — is Poland. As I say, events have moved on since the Council reported on 24 March. It

was with relief and approval that we noted the German Government's assurance that it regarded the continuation of aid and credit arrangements with Eastern Europe as contingent on Poland's territorial integrity. But as for the Heads of Government, while they spoke severely about the principle of non-interference and their willingness to give economic aid and material support to Poland, the strongest warning they gave to a Russia which even then was engaged in its most overt campaign of bullying and organized intimidation since 1968, referred to the very serious consequences for international relations. That was all. That is the way of communiqués; but it means that it is up to us who believe that the Ten should act as one, should be seen to act as one, and to be seen to act firmly and effectively as one, to put some backbone into our joint leadership.

I submit that the resolution on Poland we are considering today has, like the Maastricht talks, been overtaken by events. The level of military activity in Poland has gone far further than routine manoeuvres. The menacing gestures of the puppets of Eastern Europe have been more preparatory than threatening; more preparatory than admonishing. If this morning tension appears to have relaxed a little, it is on order, perhaps, to let the threats of Prague sink in, but that seems no good reason for leaving any doubts in Soviet minds about where we stand. It is perhaps unfortunate that this Parliament cannot take decisions about how Member States of the Community should react if a threat to Poland materializes. If the frightened bunch of old, old men clinging to power in Moscow should decide once more to stamp out the spark of liberalization which, if they knew it, is the single dim hope for the economic survival of their empire in general and of Poland in particular.

But we can prepare the ground; prepare Europe's minds for the right decisions and it is for us to state firmly that because of what happened in Hungary in 1956, in Czechoslovakia in 1968 and in Afghanistan in 1979, and is still continuing there, if there is any hope left for the revival of détente in the world, the use of force in Poland now would finally crush it. For the reason I believe it to be essential that unless, and until, the abnormal military activities and operations of the Warsaw Pact cease and until the Warsaw Pact forces resume their previous deployment, the SCE Conference in Madrid should remain in session and no final communiqué for that conference should be agreed. Here is the touchstone of détente: what is happening and what has happened in Madrid, and I hope that the President of the Council of Ministers will take note of what I have said.

That brings me to what I believe should have been high on the agenda of the European Council in Maastricht. Mr van der Klaauw spoke of an 'intensifying economic dialogue' — I think he put it like that — with our other partners in the free world. That is fine; but we should at least be as interested in our economic

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connections with the unfree world, and notably with the Soviet bloc, to whom Western credits amount now to nearly \$ 70 billion — \$ 20 billion to Poland alone. Of these credits, West German lending, at nearly \$ 900 million, is considerably above America's. Yesterday's newspapers stressed again the French Government's attempts to step up wheat exports to Russia: today's newspapers speak of a new West German loan being considered to Russia of 10 000 million marks. None of us, of course, is innocent in this particular matter, but in view of Afghanistan and Poland and the Soviet military build-up in the world as a whole, is it not time we urgently considered what we are doing, jointly and severally, to encourage Moscow in its aggression?

I shall not again go into the question of high technology, of liberal credits and for our overdependence on the Soviet Union for energy and many vital materials. Because of its aggressive policies abroad and its oppressive policies at home, the economy of much of the Russian empire is in a state of collapse. It is in as vulnerable a state now as it has not been for years. Poland: yes, while she is left alone, let us help her; but could not the European governments meeting together reconsider how freely we should be helping Moscow out of its difficulties? It is one thing for our Communist colleagues over the way to call for understanding and a study of Mr Brezhnev's motives, but this must be a two-way process. It remains so that in failing for three years to respond to the signals of alarm expressed by the West over its policies, the Soviet Union has ignored the basic criteria for ensuring stability in a nuclear world.

Mr President, I will finish. I am never quite clear, when we are debating a report produced by people who are not with us, to whom these remarks should be addressed. But I hope that whoever I am supposed to be addressing them to will hear them, and I hope they take note of what I have said.

**President.** — I call Mrs Le Roux.

**Mrs Le Roux.** — (*FR*) Mr President, the European Council of Maastricht did not arouse the enthusiasm of any of the pro-European circles, from the right to the Social Democrats. To judge by the various reactions, it is considered that this Council decided nothing, that it did nothing to advance European policies.

With your leave, let us look at things more closely: to this end I have carefully examined the official summary of the activities of this Council. It is not consoling.

However, judge for yourselves. This meeting of Heads of Government was devoted to the current situation in the Community, and what is that? It is a serious one,

as you well know. Unemployment and inflation are increasing. A substantial portion of industry is in ruins. The external trade deficit with industrialized countries is increasing, particularly with the United States. I will not go into greater detail, but as you know, the overall picture is one of unrelieved gloom. Faced with this situation, what is the response of the Heads of State and Government of the EEC? It is to continue on the same course, to proceed even further along this road.

They dismiss first of all any revival of the economy, and I quote: 'The short-term stimulation of demand would prove ineffective'. This means maintaining and intensifying austerity measures, and, to make their intentions quite clear, the European Council attacks the sliding scale of salaries in countries where it exists. Again I quote: 'The European Council has examined the effect of certain rigid systems of wage indexlinking and has requested that they be adjusted.'

In the European Council's view the solution to the crisis is to introduce an even more drastic austerity programme, and of course once again it is the workers who have to pay for it. As against this, the European Council has clearly reaffirmed its keen concern for the profits of the economic giants which dominate the EEC. 'It is necessary' — and I quote — 'to reduce costs so that productive investments and productivity can be increased'. These formulae are strangely reminiscent of the views expressed by a German Social Democrat, Helmut Schmidt, who said a few years ago that today's profits represented tomorrow's investments and the jobs of the day after tomorrow. The peoples of the European Community can judge for themselves the effectiveness of such a policy geared solely to the interests of big business.

The result, as I said, is the increasing scourge of unemployment, declining purchasing power, a worsening of the crisis. Entire sections of industry have also been swept away. Mr Davignon can congratulate himself on the fact that Mr Giscard d'Estaing gave him the green light at Maastricht to continue his destruction of the French steel industry, a task which is considered as having priority. Towards this end an attempt has been made to abolish national subsidies and to eliminate so-called non-competitive capacity. In truth, the lack of enthusiasm which I have noted simply reflects the disappointment of those who would like this policy to be even more drastic.

On future plans, the European Council merely stated that proposals to restructure Community policy would be examined at the next meeting. There is no doubt that such restructuring will not be popular. It will involve stepping up the policies at European level. However, you must have observed that the workers are not indifferent. In France, but also in Belgium, in Great Britain, in Italy, they have recently demonstrated their opposition to these policies. And let me add also that at a time when France is involved in an electoral campaign which will have an important

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bearing on his future, Mr Giscard d'Estaing, out of political expediency, is being somewhat cautious. The same cannot however be said of this Assembly, which yesterday, with the exception of the French Communists and Allies, expressed itself in favour of a European plan to restructure the textile industry, at which Mr Davignon was understandably pleased. In a sector where he cannot, as in the steel industry, force the closure of French factories, it would appear that the support of this Parliament is precious, particularly since a consensus was reached here, extending from Mr Delors to Mr de la Malène, to proceed at full steam along this path. It is a consensus in favour of restructuring and therefore, once again, in favour of unemployment.

Indeed this word 'restructuring' reappears like an obsession both in the communiqué of the European Council and in the proposals put forward yesterday in the debate on the textile industry by the powers which dominate this House, and here I will mention in particular the UDF, the RPR and the Socialist Party. As you see, the European Parliament is not remaining inactive. It is fitting in with the wishes of the Heads of State and is helping them to impose unpopular policies. Perhaps even this is not sufficient. Indeed it is for this reason that Mr Gaston Thorn spoke unambiguously in favour of abolishing the unanimity rule in the Council of Ministers. However, Mr Giscard d'Estaing in particular must reckon with the opposition of the workers in my country, he must reckon with deep national feelings and with the desire for economic and social progress. In addition he must reckon with the resolute opposition of French Communists as can be seen from the interventions by the Communist and Allies Group in this House.

**President.** — I call Mr Calvez.

**Mr Calvez.** — (FR) Mr President, I am prompted to speak before the small number of Members at present in the House by the terms of the motion for a resolution on the organization of a joint meeting of the Ministers of Social, Economic and Financial Affairs of the Member States to analyse the situation and draw up measures designed to halt the current fall in employment and, what is very important, and I quote, 'to put forward an economic policy aimed at creating full employment'. This is a very wide-ranging programme. I have listened carefully to the President of the Council and the President of the Commission. Now, the question which arises for us today is the following: is it advisable, without serious preparation with Parliament and the Commission, to hold a meeting of Ministers who are very well briefed on the current situation and who, in the Member States, are doing what they can in this period of economic warfare to avoid new closure of factories and to urge the heads of companies to create jobs? Will these Ministers be able to succeed in achieving at

Community level, what they have been unable to achieve at national level? This is a question which one must ask oneself.

A labour market policy must be backed up by a better use of the financial instruments available to the Ministers of Economic Affairs, by greater integration of the Community labour market and by the effective application of legal measures which is the province of the Ministers of Social Affairs. Do you believe, ladies and gentlemen, that a 'Jumbo' Council will be able to draw up, in one day, concrete measures to restore the activity of our enterprises, to stimulate employment and to define a Community economic policy? Will these Ministers be capable of agreeing on a single text for the final communiqué which reflects the spirit of the meeting? In recent months, as you all know, we have witnessed several disagreements within the Council of Ministers. There have also been disagreements within the European Council. For three months we have been waiting for the Council of Ministers responsible for fisheries to settle an important problem, a problem which however is not of the same magnitude as that of employment, in that now we have more than eight million unemployed.

We have no economic policy, no industrial policy, no energy policy, no Community environmental policy and, consequently, we have no Community labour policy at EEC level. Is it not true that the Ministers of Finance who met at Breda at the end of last week were pessimistic about the chances of success for a joint meeting? The Commissioner, Mr Richard, let it be understood in the Committee on Social Affairs that there was very little likelihood of such a conference materializing. Is not the European Parliament the privileged forum where a debate could be held, at an extraordinary session, on all aspects of employment, and could this not be done before the next summit of Heads of State and Government in June? You all know that several reports are being drawn up in various committees. They can be concluded rapidly and discussed at a plenary session of our Parliament. A broad consensus will also have to be reached on a medium-term structural policy and on economic policy guidelines which take account of the attitude of Japan and the United States. To do this, it is indispensable that the Community also address itself to a wider audience. The time has come to involve all the organizations representing forces active in Europe in the defence of employment, in particular the small and medium-sized undertakings, trade organizations, small businessmen and the trade unions without exception. The rigid attitudes of the two organizations which carry on a permanent dialogue with the Council and the Commission, UNICE and the ETUC, have not always encouraged dialogue between both sides of industry and this is regrettable. In this Parliament, minorities can express their opinion, and at times have interesting suggestions to make. We say we are tolerant, that we respect the convictions of others, but why do we not invite the Commission to hold a

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meeting of those who perhaps think differently, but whose ambition is to construct a stronger and more fraternal Europe? Any initiative of this nature which resulted in a failure would be a hard blow to the Community. We must avoid disappointments and frustrations amongst those who may tomorrow be the victims of new redundancy measures and, if a 'Jumbo Council' is convened in June, everything must be done now to ensure its success so that no tears will have to be shed in July when we meet again in this Chamber.

**President.** — I call Mr Israel.

**Mr Israel.** — (*FR*) Mr President, the European Council is the highest authority in the Community structure, although it is not part of the Community's institutional system and this makes it rather difficult for us when we want to enter into a dialogue with it.

So as not to appear like the confidantes in Molière's plays, we must try to find a more structured approach than that which is generously accorded to us during the present discussion which, let it be said in passing, does not appear to arouse the enthusiasm of the Members of Parliament since there are so few of them present today. The worst thing, Mr President, would obviously be if two Parliaments were to emerge: one meeting occasionally to deal with economic and social affairs, and the other concerned with political issues but meeting at other times. This would obviously be the worst outcome. But let us drop all modesty and try, as ordinary Members of Parliament, to enter into the holy of holies, that is into the realm of political cooperation.

Mr President, the most serious, the most urgent issue facing us is obviously Poland, which is suffering, not surprisingly, from the inevitable consequences of oppression. What is in fact happening? Quite simply what is happening is that the events which took place in 1945 are moving to their natural and logical conclusion. Mr President of the Council, the worst thing we could do would be to accept, not a *de facto* situation which exists and which is unfortunately only too real, but the hypothesis that, since Poland is hemmed in between East Germany, the USSR and Czechoslovakia, its geographical location is such that it is impossible for us to give it the aid it appears to expect. I know that the situation is very difficult but we should not accept this idea that Poland is part of a universe into which we cannot penetrate. Because, in the final analysis, the danger threatening Poland is far more than one might believe. Perhaps there will not be a repetition of the situation in 1956 in Budapest, perhaps there will not be a repetition of 1968 in Prague, but it is very probable that we will have a new scenario designed to starve Poland, to strangle this country which longs for freedom of expression. This is why, Mr President, ladies and gentlemen, the resolution before us today proposing food aid for Poland is very

welcome and is precisely the approach which one would expect from a European Parliament which is aware of its international responsibilities.

Afghanistan, Mr President, is the second topic which has claimed your attention. Here again we are faced with a classical situation. What is happening? There has been an international show of armed strength the sad result of which is evident: hundreds of thousands of refugees are pouring into a neighbouring country. What should we do with these refugees, how can we help them? Lord Bethell has tabled a resolution which has, obviously, our full support. However, we must find a way of providing humanitarian aid for men and women who are fleeing from oppression. But here is also the political aspect and this political aspect can be summed up, in my view, in a single question: what inconvenience has the USSR suffered since its invasion of Afghanistan? What political scientist can outline clearly for me the real disadvantages suffered by the USSR since the Kabul takeover? There are none. The USSR is trying to gain acceptance for the idea that its use of force on different occasions is not answered by any matching response from the West. Now, the vigilance which is expected of the European Council must also be shown by this Parliament which must, whenever necessary, make it clear that, apart from denouncing the conflict and the human tragedy caused by oppression and war and seen in the suffering of the refugees, we must also condemn in all our statements a totally unacceptable political situation.

I come now, Mr President, to the third point: that of the Middle East. You told us, Mr President of the Council, that your dialogue with some Arab states, and in particular with the Secretary of the Arab league, Mr Klibi, was encouraging. For my part I am willing to accept this, because I have faith in you, and I am sure that if you say it was encouraging, then it was encouraging. But encouraging in what sense, towards what end? The aim of course is peace in the Middle East, it is to settle the territorial dispute, to achieve the establishment of a Palestinian entity but also the recognition of the State of Israel by all its neighbours and all the Arab parties concerned. I hope that your feeling of encouragement is inspired also by this third point of the three-part plan, without which there can be no solution in the Middle East.

Mr President of the Council, you remember that I was very critical of your predecessor Mr Thorn, saying that the Venice Declaration has been, in my opinion, extremely imprudent. In fact you bear me out in retrospect because now you say that the Council is going to try to define in greater detail the concepts it has been applying up to now. It is about time, Mr President! And when you ask what self-determination really means, I for my part ask you, self-determination for whom? Allow me a sardonic smile — this question should really have been asked earlier. Of course, as regards self-determination, I will give a small piece of advice: the most important thing is to know if this

## Israel

self-determination is of interest to the inhabitants of the West Bank and Gaza. It is there that the feasibility or otherwise of the exercise will be proved. During his trip, Mr Thorn did a very interesting thing. Stepping outside his recommended programme, I believe, he slipped into the West Bank and Gaza and met a number of prominent and influential Palestinians. In all modesty, Mr President, I would suggest that you follow his example instead of going to some Eastern palace to discuss this conflict, which in effect will only truly be settled in one place in the world, that is in the West Bank and in Gaza.

Finally, you must consider what guarantees Israel would receive; this is the nub of the question and deserves your most careful attention, but you must realize that the best guarantee which the Hebrew State can expect is a guarantee arising out of the recognition by all the Arab States of the State of Israel, as a legitimate Hebrew State embodying the political and religious values it has chosen for itself.

*(Applause)*

**President.** — I call Mr Bøgh.

**Mr Bøgh.** — *(DA)* Mr President, by this time it has been openly acknowledged that Maastricht was not a success. I do not believe that such an assessment goes far enough. I believe that we should acknowledge that Maastricht was not only a crisis, but that it reflects a condition, a chronic illness within the EEC. Mr Thorn made some attempt at a diagnosis in his comment on the fishery conflict, when he pointed out that while the fisheries question was in itself a very limited problem it was precisely this limited nature of the problem which demonstrated that the will to meet each other halfway, to renounce national interests, does not exist, in any event not amongst the big powers. In this case it is a small country which suffers because the big powers have so many commitments both abroad and at home that it is impossible to get a decision through.

I believe that we must be clear about the fact that the illness which is ravaging this Assembly and this body is that the EEC is geared to growth and success and has no proper tools to tackle a crisis situation or a recession such as we are now experiencing. As we see, the reaction of the EEC is a purely psychological one, in that the more paltry the results — indeed in a world where problems pile up, we reach the point where we are content with a mere symbol such as a common passport — the grander the oratory. High-flown phrases about union are bandied about and we in the Committees especially are familiar with such puffed-up language. Indeed there are two types of inflation raging in the EEC, the one is financial, the other verbal. We should be able to tackle this latter type ourselves.

It is possible to preen oneself when there is growth, when there is success, but one must be more modest in times of adversity, and that means that the big powers must pay a great deal of consideration to events at home, with the result that the whole decision-making process grinds to a halt. This means that the small countries get into difficulties because the conditions for their survival differ from those of big countries and this is what this House must try to understand.

It was a very strange experience for my country to hear, as the Maastricht Summit was drawing to a close, that our Northern sister countries, Norway and Sweden, were about to enter into a form of extensive economic integration, under precisely the conditions required for a small country to survive. It was indeed a rude awakening for Denmark to discover that it was left out and it sounded cruelly ironic when our Prime Minister returned home from the fiasco in Maastricht and said that we should be glad to be a member of the EEC.

**President.** — I call Mr Bournias.

**Mr Bournias.** — *(GR)* Mr President, before the Maastricht Summit there were grounds for various suppositions, ranging from the most optimistic to the most pessimistic. After it was over, while some political commentators painted the blackest picture of its outcome, others — as is the case today, moreover — saw it in a spirit of hope and optimism. Which view is the right one?

It is certain that this 19th Conference of Community heads of State, like most of the previous ones, did not produce anything very remarkable, especially as regards today's serious international problems. In fact, the appeals for closer cooperation were confined mainly to the economic sector, which is currently in an extremely precarious situation because of the problems facing both the Community and the various Member States (unemployment, inflation, fisheries, agricultural policy etc.), and were extended to the political sector in only very small measure. These appeals are indeed sound and useful, but they do not convince the ordinary European citizen when he can see on all sides immediate threats to peace itself: the Middle East, Afghanistan, Poland. The change of President in the United States cannot be regarded as a reassuring factor. Obviously the political line of the USA is clear, but as a result of the recent, fortunately unsuccessful, attempt on his life, President Reagan has not had time to take up contacts with the European leaders. The ordinary European citizen does not forget that both the last World War and the Soviet Union's expansionist and repressive actions since then, as in Afghanistan, were to a large extent the result of the vague and hesitant attitude of the Western powers. Furthermore it has not proved possible to arrive at a common and uniform policy on terrorism. Clearly the economic

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problems are just as serious and directly affect the internal affairs of the various Member States, and so it is very natural that the leaders should be primarily concerned with finding a solution to these problems in order to bring about internal peace.

The problems of infrastructure and the restructuring of the Community are also extremely serious and will have to be tackled in good time in order to ensure that the Community functions better. The role of the European Parliament must be clarified and strengthened, because only if the Community is able to function normally and tackle the various Community problems will the ordinary citizen really feel that it exists. As far as the European Parliament is concerned, there is no doubt that its decisions, taken by the majority of the directly-elected MEPs, free from the restrictions of national obligations, will meet with a far greater response in the minds of the peoples of Europe, thus making it easier to keep to a single political line, which in any case is only difficult to achieve for the leaders of those Member States whose policies are at present conceived along narrow national lines. Let us hope, therefore, that the sittings and decisions of the European Parliament will be able to give real being to the European family so that the voice of Europe is held in esteem everywhere and averts the dangers and tribulations which, let us make no mistake, exist at this moment all over the world. In any case, it is a fact that the outcome of this Summit was positive in that it inspires the Community institutions to take specific decisions on important matters such as the steel industry and the new farm prices. Unfortunately, however, this does not apply to fisheries. As for aid to Afghan refugees and Poland, I would ask you, if there is time, to allow me to add a few words, Mr President.

If Rule 14 of the Rules of Procedure did not provide for urgent procedure, it would have to be invented and introduced for subjects such as the one under discussion, namely aid to the Polish people and Community aid for Afghan refugees who have fled to Pakistan. Three Greek Members of the New Democracy Party, Mr Gondicas, Mr Vlahoroulos and Mr Zardinidis, have put their names to the motion for a resolution tabled by Lord Bethell and others, but the remaining eleven Members of our group are deeply conscious of the tragic situation of Afghanistan's civilian population, a large part of which, over one and a half million, have been forced to leave their country and to flee in dramatic circumstances to neighbouring Pakistan, where they are live in the care of the UN High Commissioner for Refugees.

As regards Poland, we have an obligation, both as a Community and as countries with a concern for peace, to help the heroic Polish people to overcome the present crisis, which is the outcome of many factors, but mainly of the drop in production which has been continuing for years in that country. Of course there are problems, but these can and must be overcome. Despite its own problems, which have increased

greatly as a result of the earthquakes which struck various parts of the country last February, Greece has already offered to help — as Poland had requested — by supplying food and raw and semi-processed materials and at the same time to reschedule Poland's debts favourably via a clearing system which provides for the opening of an 80 million dollar credit for long-term repayment.

**President.** — I call Mrs van den Heuvel.

**Mrs Van den Heuvel.** — (NL) Mr President, before going on to discuss the meeting of the European Council in Maastricht, I should like first of all to make a few comments on the situation in Poland. In his introductory speech to this House, the minister confined himself to repeating what is already set down in the Maastricht communiqué. He made no reference to recent developments in and around Poland, which to my mind illustrates yet again the limpness of this Presidency. You restrict your remarks to the bare bones of the agreed texts without adding anything in the way of personal comment, even when the circumstances cry out for it.

The minister has in the past tried to ward off my criticisms of the Dutch Presidency here in this House by claiming that the spokesmen for opposition parties are by definition obliged to criticize. But I promise you, Mr van der Klaauw, I should dearly love to have something favourable to say about the Dutch Presidency. I still have that much nationalism in my European blood. The entire world — and I am not exaggerating here: what is going on in Poland is not merely a European matter nor even an Atlantic matter — the entire world waits with bated breath to see what will happen in and around Poland. The Warsaw Pact troops were assembled around Poland's borders, and in such a situation, one is bound to think back to the events of 1956 in Hungary, 1968 in Czechoslovakia and 1979 in Afghanistan. Today's reports that the manoeuvres have finished seem to have cleared the air somewhat, but it would be rashly optimistic to think that the moment of danger has now passed. To Lady Elles, who in her speech here today lumped Communists and Socialists together, but who has not stayed to listen to the reactions from her colleagues, I should just like to say that she may rest assured that we democratic Socialists have not the slightest intention of acting as apologists for dictatorships anywhere in the world. Nonetheless, we should be reasonably optimistic on the grounds that any glimmer of light on this menacing political horizon is welcome. After all, the repercussions of a Soviet invasion hardly bear thinking about.

The effects would be felt most immediately by the Polish people themselves, who are fighting for the right to control their own destiny. The second victim would be détente in Europe, which my Group feels

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must be persevered with in the interests of all the peoples of Europe. The shock-waves would be felt thirdly in terms of the situation in Latin America, in that a Soviet intervention would confirm the present US Administration in the black-and-white view of the world in apparently holds, and which in my opinion, can be best summed up by the idea that West is good and East is bad, and the only good fight to be fought is against the gigantic Communist conspiracy which is oppressing and threatening the entire world.

As you are no doubt aware, Mr President, any development which does not suit Mr Reagan is slotted into this conspiracy theory. It may be that a favourable course of events in Poland will bring about some change in this simplistic view of world affairs and will in turn persuade the United States to suspend its own interference.

As regards the question of aid to Poland, the minister said that consultations were being held in all quarters. To be quite honest, I do not understand this. Apparently, at a time of acute emergency, private institutions can provide direct aid, but the European Community cannot do so. That is a disgraceful state of affairs, and I should like to ask both the minister and Mr Thorn — following on from the motion for a resolution which has been tabled by the Group of the European People's Party — what short-term measures the Community can in fact take. I rather doubt whether it is true that — as was claimed here this morning — none of those advocating food aid have political motives too. There are bound to be people among those who advocate aid who do so for political motives. All too often, the victims of other regimes get less attention from certain political quarters than do the victims of these regimes, but that will not stop the Socialist Group from urging the granting of aid. People in Poland we are in contact with are asking for help, and they have a right to our solidarity.

I should now like to move on, Mr President, to deal with the question of Parliament's seat. There is no need for me to repeat what other Members have already said about the disappointing decision on the part of the European Council to take no decision at all on this matter. It is well nigh incredible that heads of government who were in part responsible for the direct elections to the European Parliament insist on saddling that same Parliament with working conditions hardly worthy of the name. By so doing, they bear a heavy burden of responsibility *vis-à-vis* the people of Europe in that they are jeopardizing the very future of democracy in Europe by their short-sighted squabbling. All they could manage at the Maastricht meeting was to keep their heads down and pray for better times to come.

*(Applause from certain sections of the European Democratic Group)*

I have always been taught that government is foresight, and not simply a matter of sitting back powerless and watching the world go by. Even if the gentlemen and the solitary lady in Maastricht did decide on something, we do not know precisely what it was. Any number of interpretations can be put on a decision of that kind. I should appreciate a few more details on what it amounts to. The minister had nothing whatsoever to say about the request formulated in our resolution of 20 November that Parliament be consulted. I should like the minister to tell us quite simply whether or not we may now proceed on the assumption that no decision will be forthcoming from the heads of government on Parliament's permanent seat before 15 June this year. If that is indeed so, we at least know where we are, and we shall then have to take a decision ourselves on our working conditions.

*(Applause from certain sections of the European Democratic Group)*

In my opinion, the Zagari report, which is now being discussed in the Political Affairs Committee, gives us an excellent opportunity to do just that.

I should like to conclude by commenting briefly on the absence of the Dutch Prime Minister in this House. In his speech, Mr van der Klaauw referred to the long-standing agreement whereby the European Parliament was kept informed of what was discussed in the European Council. So far, though, no one has been able to tell me where I can look up this decision which is supposed to have been taken in Dublin in 1975. Must we assume that, when the Dutch Prime Minister unveiled his ambitious plans, he knew nothing of this decision? Can it be that he once again spoke out of turn, a not altogether unfamiliar occurrence, coming from him? And did he not perhaps give in over-hastily to an objection raised by the French President, whose foreign minister has made it clear that he considers that the European Parliament has no political significance whatsoever?

I am not suggesting, Mr President, that we do not appreciate the chance to enter into a debate with Mr van der Klaauw in his capacity as Dutch Foreign Minister — quite the contrary. I take it therefore that there is no truth in the rumour which is currently circulating in the lobbies of this building to the effect that Mr van der Klaauw's Secretary of State will shortly be coming to deputize for him. It would, after all, be quite absurd if we were to hear from Mr van Agt via Mr van de Klaauw and from Mr van de Klaauw via Mr van der Mei.

Mr President, Mr De Goede has already expressed our disappointment at the Dutch Presidency so well here today that I have little to add on that score. The Dutch Presidency still has a chance to redeem itself, though, and I would address an urgent appeal to the minister not to dismiss the criticism out of hand, but to steer a different course in the second half of the Presi-

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gency's period of office. After all, what is at stake here is far more than a mere internal Dutch party political struggle.

What we are talking about is the future of Europe itself.

**President.** — I call Mr Müller-Hermann.

**Mr Müller-Hermann.** — (*DE*) Mr President, I should like to be very brief and confine myself essentially to expressing the serious concern felt by my Group at the increasing tendency to renationalization within the Community, a tendency which was brought out very clearly at the Maastricht Summit, the common fisheries policy having something of a symbolic significance in this respect.

We are all aware of the reasons behind this trend. National coffers are empty, there is a high level of unemployment and our economies are facing enormous restructuring problems. There is little or no room for manoeuvre for the redistribution of wealth or social welfare programmes. However, I think it is fundamentally fallacious of the Community, the Commission, the Council of Ministers or the national governments to think they could solve these problems by purely selfish means. On the contrary, we take the view that what is needed is a major Community effort as the only means of coping with structural problems, energy problems and shifts in the pattern of international competitiveness. Basically, what we need is a major effort of political mobilization, a sense of a new beginning, which must emanate from the Council. Unfortunately, though, all the Council has to offer is a pretty threadbare vision, with the gentlemen from the Council busily putting a few desperate stitches here and there in the final remnants of consensus.

I should like to give expression to this concern we feel, and at the same time call on the Council to show a greater sense of awareness of its responsibility for finding a common solution to the outstanding problems, more farsightedness and more solidarity in the decision-making process.

**President.** — The list of speakers for this item on the agenda is now closed.

I call the Council.

**Mr van der Klaauw, President-in-Office of the Council.** — (*NL*) Mr President, thank you for giving me leave to speak at the end of this morning's session. As you know, I shall be unable to attend this afternoon because of other commitments in connection with the conference on African refugees.

It is an extraordinary fact that whereas criticism has been voiced from many sides on the results of the meeting of the European Council, the heads of government and the foreign ministers were unanimously agreed that although they had gone to Maastricht without any great hopes, they had returned home with a feeling of some satisfaction. I think that those Members who have said that the European Council should have taken decisions and so on are ignoring the process the Community is going through at the moment. Everyone — including the Dutch Presidency — had agreed that the European Council in Maastricht should be a Council of reflection in which, nationalistic tendencies notwithstanding — and these have been referred to in the course of this debate — we would try to give pride of place once again to the Community ideal in an attempt to bring the Community closer together. And that is precisely what we managed to do, Mr President — that was the great significance and success of Maastricht.

I realize that we failed to find a solution to the fisheries problem, but I think we did at least make some progress. We agreed that the Fisheries Council should be convened sooner. That was a proposal put forward by Mrs Thatcher with the support of the French President. Unfortunately, the meeting of the fisheries ministers came to nought, but the European Council did at least show its good will.

To put the current process into perspective, the meeting of the European Council in June this year is the one at which decisions will have to be taken. It is then we shall have to decide on the restructuring of the budget, and for that we shall need the Commission's proposals. Only then can the Council decide on its position. We shall also have to take decisions in the economic sphere with a view to what I might call the summit in Ottawa. Then we shall have to decide on whether we can draw certain conclusions from the results of my mission to the Middle East. And if anyone claims here that my mission is irrelevant and even delusory, that is certainly not the reaction it has evoked in the countries whose representatives I have spoken to so far. It is a sincerely-intended mission, as one is entitled to expect from a Dutch President. We must also decide what stance to adopt in the North-South negotiations, in respect of which the European Council has given a mandate to the foreign ministers.

The June meeting of the European Council will doubtless be a difficult one with all this on the agenda. But we are working towards decisions on all these points, and in this respect the Maastricht meeting was one step along that road. With all its limitations, it was nonetheless a success, as I said earlier. You can judge the degree of success from the fact that the final communiqué was brief and to the point. It was not a woolly apology padded out to disguise the fact that too little really happened. It is a communiqué full of very specific points, like the question of indexation. Whatever you may think of this the fact remains that a

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very specific view emerged from the discussions. It is in fact one of the best declarations — particularly as regards its contents — the European Council has ever produced.

Moving on to the so-called Jumbo Council — i.e. the Council of Ministers of Finance, Economic and Social Affairs — there is a certain degree of tension as regards the presidency issue. The Dutch Presidency wants to have the Council meet during its period of office. As the motion for a resolution which has been tabled on this point indicates, the problems relate to the need for thorough preparation. The meeting of the Jumbo Council must be a success, and I can tell you that we are working on it unceasingly. I had long discussions in The Hague yesterday on what should be on the agenda, and preparations are thus well in hand. Work is in progress, and we shall try to make sure that a thoroughly prepared meeting of the Jumbo Council will take place under the Dutch Presidency.

As regards the European passport, the Europe of the people to which Mr Berkhouwer once again referred with such ardour, the major difficulties have now been overcome. There remains one minor technical detail, the question of precisely where a certain page should figure in the passport, but that too can be resolved. The European passport will become a fact under the Dutch Presidency.

Moving on to the question of Parliament's permanent seat, what is meant by the status quo is the 1965 situation, as laid down in the 1965 agreement. It is of course regrettable that we failed to reach unanimous agreement on this point, as I said in my introductory speech. Clearly there were differences of opinion here, which we were simply unable to overcome. In such cases it is better not to let things drag on, but to admit that we cannot reach agreement on amending the 1965 agreement, and so will stick to that agreement, at the same time stressing its provisional nature — although it must be conceded that the provisional has a way of becoming very long-term. Anyhow, the fact is that the agreement remains unchanged, and I hereby inform Parliament of that fact. If Parliament thinks differently about the matter, I have no doubt that it will inform us accordingly.

Moving on to the question of why the Dutch Prime Minister is not here today, I should like to read out what Mr van Agt wrote in reply to Mrs Veil's invitation. After acknowledging receipt of her letter, Mr van Agt went on to say: 'In my opinion, I would be perfectly entitled in my capacity as President of the European Council to accept the invitation issued by your Political Affairs Committee. However, in view of the lack of unanimity on this point, I am unable to accept the invitation to report back in person to the European Parliament.' In view of the lack of unan-

imity on this point Mr van Agt was unable to accept this House's invitation, although I agree with him that he was fully entitled to do so. However, that is how things stand, and I am afraid you are going to have to put up with me instead.

Mr President, it seems to me that most of the criticism of the Dutch Presidency has come from Dutch Members. One of the speakers said he was ashamed to be a Dutchman, and Mrs van den Heuvel went along with that sentiment. I am not ashamed of the achievements of the Dutch Presidency. I believe that the Dutch Presidency is doing a very good job of work in close cooperation with the Commission. The meeting of the European Council at the end of June will show what our persistently hard work has achieved.

There is one final comment I must make about Poland. I have dealt with this matter. I spoke twice about Poland only yesterday in The Hague. Poland is constantly in our hearts and minds, but I felt that it was so crystal-clear what we all thought about this problem — our hopes and prayers that the Poles themselves can find a solution within the relative freedom they enjoy — that it was not necessary to refer to the matter at great length every time.

**President.** — I call Mr Møller on a point of order.

**Mr Møller.** — (DK) Mr President, it seems to me that we are being subjected to very high-handed treatment here. The President of the Council gives up a morning of his period of office in this Parliament and has to hurry off to another meeting. He knew for a long time that this sitting would be held and that we were to have an opportunity to discuss the Maastricht negotiations; but we who are down to speak in this afternoon's debate will have no Council President to address our remarks to because he has undertaken duties other than those which he has in relation to the European Parliament. That is all, Mr President. I think it is an example of high-handedness which we cannot put up with from the Dutch Presidency.

**President.** — Mr Møller, I am sorry, but we must adjourn at some point if we are to have a break from one o'clock to three o'clock. You are down to speak first this afternoon.

The proceedings will now be suspended until 3 p.m.

The House will rise.

*(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)*

## IN THE CHAIR: MR MØLLER

*Vice-President*

**President.** — The sitting is resumed.

*3. Agricultural prices*

**President.** — The next item is the statement by the Commission of the European Communities on agricultural prices.

I call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA) Mr President, two weeks passed since Parliament debated and gave an opinion on the Commission's proposal on farm prices and related measures. I myself was the first to congratulate you on the speed and efficiency with which you fulfilled your obligations under the Treaties. In this you were obviously a good example for the Council of Ministers, which only a week later reached its decision remarkably quickly. For the first time in many years the annual agricultural prices were fixed sufficiently early to allow them to be introduced simultaneously with the commencement of the marketing years for milk and beef and veal on 1 April. Obviously, as a Member of the Commission responsible for agriculture, I am very pleased about this. I therefore take this opportunity of thanking Parliament for its contribution to this positive outcome and at the same time of providing further details and insights into the Council's decisions on agricultural prices last week.

I regard the proposal which was adopted last week as representing a victory in three important spheres: firstly with regard to the price level and price hierarchy it creates a fair balance between our farmers' income demands and the need to maintain the market equilibrium. Secondly, the Council acknowledged and agreed that the co-responsibility principle should be developed in many important respects. Thirdly, budget expenditure was maintained within the necessary limits, not only for this year but also for next year.

On all these points I believe that the Council, with the assistance and backing of the Commission, took account to a very large extent of the remarks contained in the resolution adopted by Parliament on 26 March on the basis of Mr Ligios' report. Allow me to go into a few further points in greater detail.

Firstly there are the prices. Here it should be stated first of all that the prices for most products will be about 1 to 2% higher than originally proposed. The average increase in the common prices in the

Community is estimated at 9.4%. What is very important however, and this one is obviously inclined to forget if one calculates too much in averages, is that the price scale and price structure largely correspond to the Commission's proposal. For example, increases for cereals are in most cases limited to 6%, whereas the price increases for animal production which is of course divided into two groups, are comparatively higher at 9% for milk and 10% for beef and veal.

Next there is the decision in the agri-monetary sphere. As I explained to Parliament a fortnight ago, the devaluation of the lira together with the simultaneous revaluation of the unit of account as a result of the rise in the value of the English pound within the ECU, meant that we were able to include new, positive elements in the price package. Not only were we able to avoid introducing new monetary compensatory amounts, but we were also able to fulfil two objectives of our original price proposals, namely to abolish monetary compensatory amounts in all countries apart from the Federal Republic of Germany and the United Kingdom and to reduce the compensatory amounts remaining in these two countries.

The devaluation of the green rates means that eight Member States, that is Italy, Ireland, Denmark, Greece, France, Belgium, Luxembourg and the Netherlands will receive price increases which, expressed in national currencies, will be higher than the common price increase of 9.4%, since the average price increase in national currencies in the Community as a whole will in fact be about 10.9%. All in all these various factors mean that we now have a price system which can be regarded as positive compared to the EEC's expected inflation rate in 1981, which is estimated at 10%. At the same time its influence on consumer prices will be relatively small since food prices will only increase with a little more than 3% and the consumer price index as a whole with only upwards of 1%.

I would also like to say a few words on the measures which are linked to the prices. I have explained in detail previously here in Parliament why the Commission lays such importance on the co-responsibility principle in its agricultural policy. It is no accident or no whim, elaborated and proposed for technocratic reasons. Nor is it a shortsighted pretext for avoiding budgetary difficulties arising out of the limit of 1% on our receipts from VAT. In the long term the principle of co-responsibility is of fundamental importance for our policy, in which are obliged to introduce economic responsibility on the part of producers so that we can make the price adjustments necessary to maintain our farmers' income level. Nothing emerged during the price negotiations to make the Commission change its opinion on this proposal. This is also the opinion which the Commission expressed in the document it presented a few months ago, entitled 'Reflections on the common agricultural policy', namely that at the present level of technology in agri-

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culture, it was neither healthy for the industry or possible from an economic viewpoint to guarantee a price and support level for unlimited quantities of different products.

I therefore welcome the fact that the Council has agreed to introduce the co-responsibility principle this year in several important sectors and has given an undertaking to go even further next year. The co-responsibility levy for milk will increase from 2 to 2.5% in the new production year, and it has been agreed that if milk deliveries increase by over 1% in 1981 the additional expenditure will be covered in a suitable manner, either by a levy on the increased production, a partial suspension of intervention, a change in intervention prices, the introduction of a progressive levy or in some other way which the Council will decide at the time on a proposal from the Commission. Meanwhile the Commission will continue to look into possibilities of introducing a higher co-responsibility levy for farmers whose production exceeds a certain level.

Co-responsibility measures have been decided for cereals, but it has been agreed that the intervention price will not be adjusted in the present introduction year but in 1982-1983. This decision of principle taken for the cereals sector is also fully in accordance with the wishes expressed by Parliament in its resolution of 26 March. Likewise the Commission is at present working out the necessary adjustments to the intervention system for beef and veal. In the case of processed fruit and vegetables the principle to limit support was taken in a form which does not affect the financial framework of our original proposal.

Finally the Council has adopted a new market organization for sugar, which includes new quotas and economic responsibility for producers. I can therefore say that the co-responsibility principle was accepted and extended for these five products. We will continue to discuss how it can be introduced for the remaining products. I realize that there must be room for reflection and discussion of the most appropriate methods for each sector, but I am fully convinced that this new principle in the agricultural policy is the correct one and that it must be followed up with renewed vigour in the coming months and years.

Time does not allow me to make a complete review of all the details contained in the price package for the remaining products, as for example butter imports from New Zealand, structural measures etc. Let me therefore conclude my intervention with a few brief remarks on the financial aspects.

Parliament undoubtedly remembers that during the debate we had set ourselves two goals, namely not to overstep the agricultural budget for 1981 and to avoid all unjustified increases in expenditure in the coming year. In your resolution of 26 March you yourselves stressed this principle and I am glad to be able to say

that it has been possible to stick to it. To be quite precise I can say that we estimate the additional expenditure as a result of the Council's decision at 343 million ECU for the 1981 budget and at 1 096 million ECU over twelve months. That is more, but not excessively more than our original proposal would have involved; namely 218 million ECU in 1981 and 844 ECU over twelve months. We believe that the additional expenditure in 1981 can be financed by the savings we have been able to make and which we will continue with. For 1982 we believe that the additional expenditure, which only represents an increase of 8.5% over 1981, can be combined with the goal we have set ourselves, namely that the increase in agricultural expenditure should lie as close as possible to, and preferably under, the increase in our own resources.

I thought it could be useful for Parliament to hear why I feel that the agreement on the agricultural prices is satisfactory and why in many ways it corresponds to Parliament's own viewpoints. I believe that our Community institutions have acted effectively and resolutely, and welcome the fact that these decisions could be taken in this difficult situation.

IN THE CHAIR: MR PFLIMLIN

*Vice-President*

**President.** — I call the Committee on Agriculture.

**Sir Henry Plumb, Chairman of the Committee on Agriculture.** — Firstly, Mr President, I would like to thank Commissioner Dalsager for his statement but in particular for his part in enabling the price package to commence at the beginning of the marketing year. That, in this year in particular, I think is quite a feat and the whole of the Commission should be thanked for their part in it as well as the Council.

Perhaps the first point I ought to make, Mr President, on behalf of my Committee on Agriculture and indeed the Parliament as a whole, which had largely followed the committee's advice, is that clearly the Council arrived at a lower average price increase than we believed was necessary for Community farmers to maintain their incomes in the face, particularly of this year, of their increasing costs. We of course had realized that 12% was not really satisfactory for the farming industry but at the same time it represented a reasonable compromise between the interest of the farmer and the wider economic policies. At the same time we can admit that if we take the green-rate adjustment into account the final figure of the Council is not far off the Parliament's recommendation of 12% — slightly more of course for some countries,

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slightly less for others, particularly the United Kingdom. And on the green rate adjustments the Council decided to follow the pragmatic approach suggested by the Parliament and this, I think, represents the most realistic way to proceed.

Similarly on the other main elements of the package, the co-responsibility levies on which Commissioner Dalsager has concentrated some of his remarks today, the Council also followed the path of caution proposed by the Parliament, which had expressed a number of reservations concerning the extension of co-responsibility into other commodity sectors and, in particular, the super-levy. The Council's decision on the sugar sector will, I believe, bite effectively and it will ultimately restrain production — although of course for this year planting in most areas of the Community is well under way.

We are all aware that effective action must be taken where serious market problems exist. And I note, Mr President, that the Council has formally undertaken to adopt a number of further measures should the imbalance continue in certain sectors. We will of course watch with great interest to see whether this undertaking will ever be given effect to or remain, as has happened so often in the past, merely a dead letter.

Finally, the Commissioner is aware, and the Council is also aware, that the Parliament's Committee on Agriculture is undertaking a review of the common agricultural policy. It will, I hope, be proposing a number of considered improvements. These I would recommend to the Commission and to the Council. We of course will have the occasion in the future to discuss these proposals together with Commissioner Dalsager and with the Commission, as well as have a general discussion in this Parliament. I am very hopeful, Mr President, that we can bring a report before Parliament in June which will be acceptable both to Honourable Members and to the Commission and I very much look forward to discussing its content with Commissioner Dalsager during the next few weeks.

So, Mr President, on behalf of my committee and on behalf of the Parliament, which considered the many amendments which were put forward to the report that came from the Committee on Agriculture, the Ligios report, I thank the Commissioner again for his report today and for his continued efforts on behalf of agriculture in the Community.

**President.** — I call Mr Gautier.

**Mr Gautier.** — (DE) Mr President, ladies and gentlemen, listening to Mr Dalsager's comments just now, I could have sworn blind I could not read properly. The Council's communication on its decisions is completely at variance with what Mr Dalsager just said to the effect that the aim of the new agricultural

prices is to bring the market back into balance. I do not know what economic analysis he is basing his remarks on — and I have a few questions to ask him on this — when he claims that the Council had supported the concept of co-responsibility and that the budget was in balance.

It is my view that nothing of the kind is true. If we take a look at the actual decisions taken by the Council, or at least what the Council has published on these decisions — and that, after all, is all that is available to us — we are bound to conclude that the Commission simply failed to maintain its own positions.

Hence my first question to the Commission: it says in the Commission's document that you expressly regarded the whole thing — i.e. the agricultural prices and the accompanying measures — as a package, and that the Commission would take appropriate steps if anyone tried to change any aspect of it.

The Council would now seem to have increased the agricultural prices, but to have decided against the accompanying measures. What price the Commission's honesty now?

Secondly, can the Commission claim to have any credibility any more in, shall we say, the milk sector? Here we have had price increases of 9% and an increase in the co-responsibility levy from 2% to 2.5%, which you claim to be a major success. On the other hand, the Council has expressly rejected the super-levy it decided on last year, and that being so, I do not see how the Commission can claim any success for itself.

Exactly the same point applies to the cereals sector, where the Council has indeed agreed in principle to restrictions on volume, but not for this crop year. Perhaps — perhaps! — for the following year. Or let us take the olive oil sector, where you claim the results to be 'excellent' because certain measures have now been taken. However, it says in the text of the Council's decision, or at least in the text drawn up for the press, that: '... the Council did not accept the Commission's original proposals on co-responsibility for regional support measures...' and: '... did not lay down any guaranteed maximum production levels...' — which were originally supposed to be 700 000 tonnes!

There are more such examples where these came from, and our conclusion is bound to be that the Council has failed to adopt any accompanying measures for all the products for which we have structural problems, i.e. beef, cereals, milk and olives. Does the Commission believe that this policy is tenable in the long run? How does the Commission propose to implement the 1981 budget, in which the Guarantee Section is allocated 175 million EUA from the super-levy? Where is this money supposed to come from? After all, it is the Commission's job — at least on my reading of the

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Treaties — to implement the budget which had been worked out by the European Parliament and the Council. It can expect to get nothing from the additional 0.5% co-responsibility levy, though.

Finally, I should like to ask whether the Commission can let Parliament have its budget calculations in writing, and what I have in mind here are the repercussions on the budget years 1981 and 1982. In other words, in precisely what world market conditions does the Commission think that agricultural expenditure is rising less rapidly than the Community's own resources? Until this House is given something black-on-white, together with the other conditions, I shall remain sceptical, Mr Dalsager.

**President.** — I call Mr Clinton.

**Mr Clinton.** — Mr President, I too would like to thank Commissioner Dalsager for coming to Parliament at the earliest opportunity to talk about what has been decided in relation to prices. I fully understand Commissioner Dalsager's commitment to the agricultural industry and his understanding of the problems within that industry at the present time.

But I have the feeling that he is totally outnumbered in the Commission by those who have no contact with the industry and who consequently have, no understanding of these difficulties. I regret that a week after prices have been declared and decisions have been made, the directly-elected Members of this Parliament have nothing on paper as to what decisions were arrived at. My past experience leads me to understand that the small print in these decisions can be extremely important and I think it is wrong that the directly-elected Members haven't got this sent to them directly from the Council meeting and that they have to depend purely on what they see in the newspapers. Then today Commissioner Dalsager hadn't as much time as he would like to devote to this in giving us the details and consequently we don't know the details at this point.

But on the main question decided by this Parliament, the average level of prices, I have to say that that decision of the directly-elected Members has been almost totally ignored and reduced by as much as 25%, that is if we forget about the green pound changes which in fact are only compensating Members States with weak currencies for these weaknesses. But, as I say, the main point has been totally ignored, and that is the average price.

A number of other things that have been ignored and I wonder when the Commission are going to make a declaration that in future their intention is to ignore the objective method as a means of arriving at fair and reasonable prices. We made our decision here in this Parliament after very careful scrutiny of all the

circumstances, the appalling drop in farm incomes in the past two years, the increases in world prices and the savings arising from these increases, the increases in the cost of inputs and also of course the need for adequate supply of food in the Community at stable prices . . .

**President.** — Mr Clinton, I must remind you that under the procedure we are following the Rules of Procedure only allow short, precise questions. What is more, there are many Members down to speak.

**Mr Clinton.** — . . . Thank you, Mr President, for reminding me. I did want to ask a question on the Commission's future intentions with regard to the objective method. Are they going to completely depart from this, or in what way are they going to look at it in future? We all know what has happened on this occasion. We all know what has happened on previous occasions and we still go in referring to the objective method, which I think is completely wrong.

I think perhaps I had better finish at this point because I know I would be out of order in continuing. I am glad to have been able to make the couple of points I have made. I think it is a totally inadequate package.

**President.** — I call Mr Curry.

**Mr Curry.** — Mr President, when I read the results of the price package I am reminded very much of St Augustine who said: 'Oh Lord, please make me virtuous, but please Lord, do not make it yet'. That is exactly the spirit in which the ministers have arrived at their conclusions.

The Commission, Mr President, and this is my first question, said that this price package was closely linked with a package of reform and that if the ministers did not achieve a balanced result the Commission would withdraw, or consider withdrawing, their package. Did they consider withdrawing it? If they did not, why not? And by what stretch of a poetic imagination can we conceivably claim that the ministers did anything other than accept the greater part of the reform measures?

*(Applause)*

There is the most meager vestige of co-responsibility retained in this package. Oh yes, cereals — well, next year — and the dairy sector — well, next year — we have heard that before, Mr President, and Mr Dalsager, last year, was one of those who made the promises. Does he believe his former colleagues any more than we believed that time his former colleagues because we were proved right?

**Curry**

The Commissioner's predecessor came out of the last negotiations complaining he had been raped. Mr Dalsager should know because he presumably took part in it. Mr Dalsager has suffered what I can only describe as a 'gang-bang'.

*(Laughter)*

Now can the Commission confirm that it is going to continue its attempts to end the open-ended guarantee? If it is, how is it going to do it? What happens if the budget situation deteriorates this year? What then? Sugar is now being subsidized again onto the world market. Is the Commission going to introduce renewed proposals for co-responsibility before the end of the marketing year upon which we are just embarking in the light of changing circumstances on the world market? And its predictions for the budgetary cost: are they based upon the presumption of a stable output? Are they based upon the presumption of stable world prices? What are the statistics which have gone into arriving at those figures? And finally, may I take this opportunity of asking the Commissioner whether he has received from the French Government a reply to the query which he addressed to it on the national aid package. If he has received a reply, may we know what is in the reply, and may we therefore know what decisions and what actions he intends to take as a consequence of the reply, which I presume he has received?

**President.** — The list of speakers is closed.

I call Mr Davern.

**Mr Davern.** — The Council of Ministers have unanimously rejected the super-levy and also the introduction of the Forth principle that of a generalized co-responsibility. It is obvious that the existing co-responsibility in the milk sector has failed to achieve its original intentions. Does the Commission now accept that there are other methods better adapted to improving the CAP, such as the development of a coherent export policy and, indeed, the immediate introduction of taxes and levies on the importation of fats and oils? These are just two possibilities that the Commission might like to consider. I believe they would contribute greatly to easing some of the budgetary restraints that are on Parliament. Indeed, it also might help to modify Commissioner Tugendhat's blatant anti-farmer stand in his recent speech to the Parliament here on prices.

**President.** — I call Mr Skovmand.

**Mr Skovmand.** — *(DA)* Mr President, Commissioner Dalsager's speech was very optimistic. This optimism is based on the fact that present world market prices are

quite high. This reduces EEC expenditure by getting rid of surplus production to third countries. But as we know from previous years this situation can change very quickly — and is already changing, as Mr Curry mentioned — and what then?

Commissioner Dalsager said that in principle agricultural expenditure should not increase more than the increase in the EEC's receipts, and should preferably be somewhat lower. If this principle is observed, and if world market prices fall, it can mean that agricultural prices next year will only increase with a few percent or perhaps indeed be reduced. Will that happen, Mr Dalsager?

One further question concerning the co-responsibility levy. Commissioner Dalsager expressed great satisfaction and interest in this and would like to develop it in several sectors. Will one then in return have more regard than hitherto for those countries who have made an effort to keep down production, as for example Denmark has done in the milk sphere?

**President.** — I call Mr Tolman.

**Mr Tolman.** — *(NL)* Mr President, we too are delighted at the early decision, but we should like to have two points cleared up. The first of these concerns the co-responsibility levy. I assume that this point remains completely open until after the debate on the Plumb report on the reform of agricultural structural policy in Europe. Can the Member of the Commission confirm that? Secondly, I assume that the super-levy which has been referred to here today has now been shelved altogether in view of the lack of agreement between the authorities concerned. However, the Member of the Commission has now said that, in the event of overproduction in the dairy sector, either consideration can be given to a levy on animal fodder, and I assume also on oils and fats — he did not expressly say so, but that is a logical extension of his argument — or there could be intervention buying. Is this really still an either-or question, or has consideration also been given to decisions over and above these?

**President.** — I call Mr Blaney.

**Mr Blaney.** — I would like to join with the others in welcoming the early decision that has been taken this year but I am afraid that is as far as I can go by way of agreement or of being complimentary.

When we consider that the decline over the last two or three years in farming incomes in many parts of the Community has been as much as 50%, how can we with any sense of responsibility suggest that an average 9.4% increase really meets the case? That is the first point.

**Blaney**

In regard to co-responsibility I would add to what has already been said by further asking the Commissioner why it is that the Commission apparently denies that it ever considered there being any other way out of the dilemmas that they seem to find themselves in other than co-responsibility and super-levies. Why not have a look at the other means of doing so and in particular the multi-tier pricing, or two-tier pricing, as the case may be, or variations thereof? Could I also ask why this new sacred cow of co-responsibility applies only to the produce within the Community and why what is imported from outside under various arrangements which are rather obscure in certain cases carries no such levies?

Finally, while it is good to appreciate what little has been done for the agricultural industry in the Community at the present time, it has been done at a cost of no more than approximately 1% to the consumer. Might we just once again remind all concerned that if the consumer who is a non-farmer — and, of course, farmers are also consumers, which people conveniently forget very often — was asked to take a cut in his income, he would not be at all concerned as to what it did or did not cost the farmer, whether it was 1% or anything else. It seems an illogical approach.

**President.** — I call Mr Ligios.

**Mr Ligios.** — *(IT)* Mr President, I too would give up my speaking time were it not that I felt obliged as rapporteur to thank Mr Dalsager and the Council of Ministers for their devotion and energy in concluding the question of agricultural prices within the time limits that had been set.

We had previously become accustomed to those marathons which took up so much time and energy and which had become one of the least attractive aspects of Community life.

I am no longer speaking as rapporteur, but I would like to draw attention to the fact that the Council — and the Commission, therefore — have taken note of many of the comments and proposals which we made in our report as a parliament, and we should acknowledge the fact. Naturally, I am not satisfied with an increase of 9.4%, for reasons which I need not go into now since I have already explained them during the last session.

I would like to put one question to the Commissioner about co-responsibility. I think that the Commissioner is convinced, as I am, that many of our problems result from the fact that we have a structural surplus of a number of products, particularly in the dairy sector, — a surplus which for five, seven years has been plundering — that was the word which I used last time — the Community budget. This linear rate has now been

increased from two to 2.5%. Does the Commissioner really believe that this will result in any reduction in milk production, or even in a halt in its increase? I am sure it will not. I have to stress once again that we must at least change the co-responsibility system for this product. It is not sufficient to impose a linear levy of 2.5 or 3%; that it is inequitable: we must do something about the intervention price and go for those people who are really responsible for the surpluses. Otherwise we shall be in the same position every year.

**President.** — I call Mr Patterson.

**Mr Patterson.** — Mr President, I would like to ask one precise question. What is being done, if anything, for bee-keepers, and specifically the winter feeding of bees? I seem to remember that in the original Commission proposals the old system of denaturing premiums was to be phased out and a new system of making sugar available at cheaper prices was to come in. Has this been decided upon and if not when will it be?

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — *(DA)* Thank you for the many comments on the various proposals contained in the price package. I should like to say to Mr Clinton that of course I totally agree that Parliament should be fully informed as to the Council's decision on these problems, and I assume that Mr Clinton realises that his anger in this matter should be directed against the Council and not against the Commission. It is the Council's decision and it is the Council which should inform Parliament.

I would now like to deal with the critical remarks levelled at the Commission. In Mr Blaney's case it was co-responsibility, that new sacred cow, and he asked if one hadn't considered other possibilities. I would like to say to Mr Blaney and others who criticized the Commission's proposal or the Council's decision, that one must take into consideration that it is not simply that the Commission proposes. If the Council cannot reach agreement on this proposal then of course one must try to arrive at a compromise, and this is also what happened. I would like to say both to Mr Curry and Mr Gautier who is also a little critical, that of course the Commission must reconsider the proposals in the event that the Council absolutely refuses to take cognizance of the Commission's proposal or proceed with it. In such a situation one cannot obviously insist on all or nothing. In many cases it is a question of negotiation, where the Commission must try to change its proposal in such a way that the Council can adopt it unanimously, as was necessary in the case of this proposal.

I believe, and let me say this to Mr Ligios, that all of course agree that a linear levy does not reduce prod-

**Dalsager**

uction. For this reason the Commission also proposed another system which the Council of Ministers could not agree to implement, nor could it agree on another similar system based on a levy on increased production.

Let me say to Mr Curry that I acknowledge my responsibility of last year where, as a Member of the Council, I participated in deciding that there should be a co-responsibility levy on increased production, a super-levy if you like, and I also feel that this feeling of responsibility finds expression in the proposal which I put forward on behalf of the Commission. I should like to say that the Council of Ministers and the Ministers stood by this but they could not approve a common method, a common draft on how to introduce this levy, and for this reason it was not possible, unfortunately, to implement the Commission's proposal, which I think would have helped to limit production more. This of course I regret.

On the question which was raised about sugar, may I say that this week is the first time that we are paying out export subsidies for sugar from the Community. And may I say also that the proposal on the new organization of the market in sugar which the Council has agreed on incorporates co-responsibility levies both for A-sugar and B-sugar, in such a way that sugar market organizations should be self-financing through the system which the Council has endorsed in connection with the price package.

Let me say to Mr Skovmand, that the proposal which has now been adopted provides no possibility for any sort of reward for any country which has deliberately kept production down. I do not know how deliberate it is that Denmark has kept its milk production down; I am not sure that it is so deliberate. In any event it has not been the result of a deliberate policy. Rather it has been the result of some very unfavourable economic conditions in the dairy production sphere and this led to quite a number of farmers in Denmark having recourse to the scheme for the slaughter of dairy cows.

May I assure Mr Tolman that this is not the final decision to be taken on the co-responsibility system.

I regret that Mr Gautier as it were quite deliberately disregards a large portion of the Commission's proposal which has in fact been agreed on.

If it is not deliberate, then it is perhaps because he does not know that in actual fact in five important spheres the Council has agreed to the Commission's proposal, if not exactly as it was put forward, at least with certain amendments, and in each case it has gone quite a long way in the direction proposed by the Commission as regards the co-responsibility system for cereals, milk, fruit and vegetables, beef and veal and sugar. For this reason I cannot accept the interpretation that the Commission has completely abandoned its proposal. I can only repeat the view which I

expressed earlier: the Commission was obviously not in a position to say — and it would not have been sound policy to say — that its proposal should be adopted as it stood, all or nothing. This is not the way to get one's proposal through, and this is not the way the Community works or has ever worked.

Mr Clinton, who I believe has now unfortunately left the Chamber, asked why the Commission was abandoning the principle of the objective method. I cannot put a question to Mr Clinton, but I can inform him that, as he knows very well indeed, the Council has never accepted the objective method, as demanded by the agricultural organization. I was a colleague of Mr Clinton's in the Council, and he will be able to confirm that when he himself sat in that Council, the objective method was not used to fix agricultural prices.

**President.** — I call Mr Gautier on a point of order.

**Mr Gautier.** — (*DE*) Mr President, if my reading of the Rules of Procedure is correct, the Members of Parliament should put specific questions. I assume from this that the Commission must also give specific answers, otherwise there would be little point in asking specific questions.

Among other things, I have put two specific questions on revenue. I would ask you to give your view of this interpretation of the Rules of Procedure, as otherwise there is no point in asking specific questions.

**President.** — The Commissioner has answered as he saw fit. We cannot go back over what was, in any case, not intended to be a debate.

I call Mr Patterson.

**Mr Patterson.** — It is, of course, always possible to interpret the Rules to mean that we can only ask questions and that the Commission does not have to answer; but I did put it precisely according to the Rules — a specific question. And I have had no answer whatsoever on bee-keeping. Could the Commissioner please reply? Perhaps he overlooked the question.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (*DA*) I can assure Mr Patterson that the Commission's proposal on bee-keeping has been approved.

4. *European Council meeting in Maastricht — Food supplies to Poland — Community aid for Afghan refugees in Pakistan — Joint meeting of the Council* (continuation)

**President.** — We shall now continue the debate on the statements by the President of the Council.

I call Mr Møller.

**Mr Møller.** — (DA) Mr President, the fact is that the European Council, about which we heard something this morning, is not provided for under the Treaty of Rome. It is not one of the institutions which is mentioned there. It is an institution that came into being because another institution, namely the Council of Ministers, could not take the necessary decisions. Since the Council of Ministers had to throw in the towel because it could not use the majority vote to take decisions, the responsibility was shoved over on the Heads of Government and so it ended up there in the European Council as it was called.

This European Council has now come to the stage where it cannot reach decisions either. The speech of the President of the Council this morning demonstrated clearly that the European Council is not equipped to take decisions either; even if it is composed of Heads of Government. The discussion on unemployment yielded nothing concrete, just words, words, and more words. The same was true of the question of inflation. On fisheries we did not hear even words, since after a long discussion no conclusion at all was arrived at because a majority decision could not be reached.

However, one may say, a decision was reached on Parliament's provisional seat. Yes indeed, Mr President, Parliament's provisional seat, but for the last twenty years this Parliament has lived in provisional conditions. The provisional seat is this House, the provisional seat is Luxembourg, and the Council kindly and generously left it to Parliament to decide itself where it wanted to hold its meetings within the limits laid down. Provisional. Status quo, provisional. All that is being done is to sweep the problems under the carpet in the hope that nobody can see them. But we can see them because we are living with them. In contrast to the members of the Council of Ministers we are living with the problem and we do not know where we will end up. We are the wandering nomad Parliament. The gypsy Parliament as it is also called. We are living with the problem to an even greater extent now than we did earlier because now we know that our staff cannot live with the situation either and does not want to live with the situation. For this reason we must now take the decision ourselves. We cannot wait any longer for a decision which the Council cannot agree on. Parliament itself must do it.

However, it will be said, agreement was finally reached on the passport issue. Yes, but an agreement which comes into force in three or four years. Forgive me for saying so Mr President, but this is a rather slim achievement to be the big European result, and I fully agree with Mr Klepsch when he asks why it cannot

come into force on 1 January 1982? All that is necessary is a stamp in the present passport stating 'European Community'. It is as simple and easy as that and the passport authorities remain the same. I feel this would be an excellent solution, even if I support the form of passport union which we have within the Scandinavian countries, where Scandinavian citizens can move freely about without a passport. A passport union should be a union which does not demand a passport but gives Community citizens freedom to travel within Community territory. However, while it was not possible to go as far as that, it could have been decided that in future the national passport was also a European passport.

I have not much more speaking time left and for that reason I will say finally that there is one problem which we are all very concerned about these days, these weeks, these months, and that is Poland's fate. It is indeed a little painful to think that the Second World War in 1939 broke out on behalf of Poland's freedom, broke out because one was not prepared to accept an encroachment on Poland's independence. Here we are today and can only offer the Poles one consolation, which the Council of Ministers fortunately agreed on, namely food aid, and in addition the consolation which lies in the words which we all said in the autumn of 1939: Poland is not yet lost!

**President.** — I call Mr Kappos.

**Mr Kappos.** — (GR) Mr President, we shall not comment on the distortions made by various Members who have spoken in anti-Soviet and anti-Communist terms. However, the lessons which some speakers tried to give the Communists on freedom and democracy are unacceptable to us, because we have been moulded by struggles and sacrifices for democracy, freedom and national independence.

Mr President, the communiqués issued after the European Council in Maastricht contain nothing of substance about the vital problems of unemployment, inflation and the economic crisis facing the Community. To the extent that these problems were touched upon, it was only a question of how to implement the policy of austerity. For instance, the farm price increases are nothing short of contemptible, at least for some countries. Nor do the statements say anything about the serious problems of peace and disarmament, nor about the United States' attempts to set up new nuclear weapons in Europe. And all this at a time when the Soviet Union has made specific proposals on talks, on an armaments freeze and on a system of inspection and so on.

Finally, the Council did not concern itself — nor could we expect it to — with the fact that the fundamental rights and freedoms of the Turkish people are being trampled underfoot by the military junta of a

**Kappos**

country directly linked to the EEC. And, of course, we could not expect it to consider the fact that, for seven whole years now, Turkey has been occupying 40% of the territory of an independent and sovereign State, the Republic of Cyprus.

The Maastricht statements concentrate their attention on events in Afghanistan and Poland. They talk about Soviet and foreign intervention, and about the resistance of the Afghan people, and shed crocodile tears for the peoples of those countries. The climax of all this is the statement in the speech by the President of the Council that the Council's aim is to rescue Poland. We wonder, Mr President, whether the peoples are waiting to be saved by the EEC and, in any case, how we can save ourselves from these saviours of the peoples.

Mr President, it is clear that these statements represent overt interference in the internal affairs of these two countries and give encouragement to countries such as Pakistan and the United States, as well as to anti-socialist elements, to undermine the socialist countries and strike at the liberation movement. At the same time, these statements show the increasing support of the EEC for the aim of the lunatic leadership of the United States to return mankind to the cold war.

Finally, these statements increase the danger of interventions. Their aim is to ensure the cohesion of the EEC and to justify the increasing subjugation of Western Europe to the objectives of the United States. For us, the Maastricht declarations and today's speeches by the Presidents of the Council and the Commission are totally unacceptable.

**President.** — I call Mr Romualdi.

**Mr Romualdi.** — (*IT*) Mr President, I should like first of all to deplore our quite improper habit of adapting our debates to the more or less acceptable obligations of the President of the Council, and giving him — quite wrongly — the right of reply before the debate is over, and thus establishing a system of first and second-class speakers governed by the order in which they speak.

It has been widely reported, and also said here by a number of speakers, that the Maastricht Summit was dominated not so much by national interest — which may not be Community interest but is understandable and sometimes justified — as by national egotism, which is something far less acceptable and is certainly contrary to the interests of our European Community. It seems to me that this is unfortunately true, despite the contrary opinions voiced, more out of duty than conviction, by Mr Thorn, and Mr Van der Klaauw's speech this morning confirmed it, couched though it was in the most delicate and colourless terms, as such circumstances dictate. Once again we have been told

that the Community as such counts for very little in the decisions which are taken, and for even less in their practical application. Is this the fault of the Netherlands Presidency? I would not like to join in the quarrel on this point between Dutchmen, but I can say without doubt that the Council is not to blame, although it will have escaped no one that, as on other similar occasions, the role of the President-in-Office of the Council at Maastricht was noticeably subordinate, deprived as he is of all initiative worthy of the name and restricted to an unmistakably secondary, minor role.

This is unacceptable in a Community of States such as ours ought to be, in a Community which really wishes to be seen as a Community rather than the birthplace of private understandings, agreements and alliances which, by their very nature, are diametrically opposed to what we should understand by the Community spirit. Under these circumstances, in a Europe which is dominated not only by the political will and initiatives of a few States and a few men motivated by their obvious electoral concerns or their concern at internal quarrels and undercurrents within their own parties and their own majorities, but also by the desire to remain in Moscow's good books, although they still do not deny the spirit of their traditional alliances they are tending to withdraw from them and have practically imposed their own decisions and choices on the Community — or rather their failures to decide as is the case with the seat of this Assembly.

Under these circumstances, I say, to continue speaking of Community policy has very little meaning — not least because the United Kingdom, governed by a woman who is not particularly communautaire anyway, and not used to submitting to pressure from her own partners — as she herself has said — and unwilling, therefore, to submit to the policies of what is threatening to become the Paris-Bonn axis, the United Kingdom, I say, is going its own way without any concern for even the most basic rules of Community life, whilst the other minor partners, amongst whom I regret I must include Italy which, despite its political, geographical, historical and economic size, no longer has the political weight or will to count for anything — the minor partners are condemned to a role of extras or, to be more accurate, more or less paying spectators. And so we have arrived — and by the worst possible route — at the idea we so dreaded of a two, or rather now three-speed Europe. This is confirmed in clear and dramatic, not to say impertinent terms by the announcement, if it is true, of the joint agreement reached yesterday between France and West Germany and the OPEC countries who have agreed to lend them 5 000 million dollars to finance research projects into energy saving; this is a loan which excludes everyone else, which will help the industry of the rich Community countries to recover at the expense of the poorer countries, with technological and economic consequences which will be quite

**Romualdi**

simply disastrous for individual countries in the Community and for the Community itself.

Under the circumstances our attitude towards the crisis in Poland, the crisis in Afghanistan, the crisis in the Middle East, and our concern at what is happening in Lebanon and what nearly happened in Spain — what nearly happened not because of the king — as some ill-informed persons say — since it would perhaps be better to say ‘despite the king’, who, together with his closer and more distant advisers, was far from being in the dark about what was happening — all this, for better or worse, is no longer Community policy but simply the policy of a few Community countries and of their leaders, who are, of course, highly respectable people, and who may well have a thousand perfectly good reasons for doing what they do. The Europe of the Community, though, cannot and must now allow them either the precedence or the duties of leadership, nor indeed those of control.

If the Europe of the Community wishes to become a political reality and not simply remain a geographical expression, it cannot remain as it is, and for this a great deal depends on this House and on the capacity which we have, together with the Commission — provided that the Commission does not propose to meekly accept the decisions of a Council which, despite contrary opinions voiced here, is no longer a Council so much as a totally unacceptable ‘directoire’ — it is up to us to put to good use the strength and the allegiance to unity with which we were endowed by the people who elected us; that is an endowment, Mr President-in-Office, which makes us different from the old Parliament, although there remain in this House a number of people who refuse to accept the fact. We are a parliament with which there must be many associations, a parliament which must not become the rubber stamp of approval for the might of some of our ten governments and the weakness of others, even less of parties; a parliament which must be a steady and firm guide along the road towards political unity, which is the only reality which we should be aiming for: the reality which, beyond all national and beyond all party-political vanities and crazes and egotism, can reasonably defend itself and lead us towards a future of liberty, of independence, of security and of peace not only for a few nations but for all our countries.

**President.** — I call the Council.

**Mr Van der Klaauw, President-in-Office of the Council.** — (NL) Mr President, I should like first of all to make the point that I am indeed still here. There was apparently some misunderstanding over whether I would be here or not, but there is one thing I should like to say on this point. The European Council is an important institution. You may be disappointed at the

results achieved, or you may think that something worthwhile has come out of the meeting, but the fact remains that it is an extremely serious business when the Heads of Government and one Head of State meet three times a year. Of course, the European Parliament wants to debate what went on, but allow me to make the point that I am spending practically the whole day sitting here in what is a virtually an empty chamber. I want to take part in your debate, and I want to continue these debates, but I must say that ministers — and this is something that needs saying — and Members of the Commission have a lot of things to do. I said earlier that I cannot stay until the end of this debate because tonight I have to be in Geneva, where tomorrow sees the start of a conference on aid to African refugees — 5 million people who need help. The European Parliament rightly refers often to the question of human rights. These people need our help. Tonight I am going to have a preliminary discussion with Kurt Waldheim, the High Commissioner and a number of ministers, and I think it is a good thing that the President-in-Office of the Council should be at that meeting. That is why I must leave early. It is not intended as a snub to this House. I explained the position in advance, and I was assured that this debate could be restricted to a certain length. That is why I got up to make a few points before the adjournment for lunch, although Secretary of State Mr Van der Mei is of course perfectly able and willing to reply to any specific problems for which the Council of Ministers is competent and which are not connected with matters discussed at the European Council, such as steel, fisheries and agriculture. After all, this debate covers more ground than was covered in the discussions held by the European Council. In some respects, it is a general debate on European policy and the situation in Europe. I had not actually asked for the floor, but I am grateful to you, Mr President, for giving me this opportunity to make this point. I shall continue to follow what the honourable Members have to say.

**President.** — I would point out to you, with great respect, that what you have just said about the number of Members present is somewhat surprising. When you speak in this House, you are addressing the European Parliament as a whole, and the importance of what you have to say must not be measured by the number of Members present at any given moment.

(Mixed reactions)

You can rest assured that all our colleagues — whether they are here or prevented from attending by other parliamentary obligations or activities — will note with great interest the statements which you care to make.

I call Mr Ripa di Meana.

**Mr Ripa di Meana.** — (IT) I would like, Mr President, on behalf of the Socialist Group, to make a few

### Ripa di Meana

brief comments both on the motion for resolution by Lord Bethell and others on Community aid for Afghan refugees in Pakistan and on the European Council meeting of 23 and 24 March in Maastricht about Afghanistan.

I believe I am still the only Member of this house who has had the opportunity of visiting a number of Afghan refugee camps in Pakistan recently, having been around Peshawar in the north-west frontier province and around Quetta in Beluchistan.

First of all, as regards the number of refugees, the last reliable figures from the United Nations High Commission on Refugees indicate that there are more than 2 million Afghan refugees in Pakistan, to which should be added several hundred thousand more who have fled to Iran. If these figures are confirmed they mean that the number of refugees has gone up from one tenth to one sixth of the entire population of Afghanistan. This massive exodus has taken place in barely 15 months of Soviet invasion and occupation, and its scale brings with it not only the dreadful problems of physical survival of this tide of humanity which consists largely of women, children and the old, but is also producing disastrous effects on the whole of this province of Pakistan, which is a poor and vulnerable country. Lord Carrington, the British Foreign Minister, observed personally recently that in the valley of Surkhab, the refugees' need to find food to feed themselves, wood to heat themselves and grass to save their flocks from starvation has left a valley which was once one of the richest in Pakistan without a single tree and without a blade of grass, as though the land had been swept clear with a razor. It is easy to imagine the tensions which have been raised between the refugees and the local population.

This is a true biblical scourge and it calls for our Community to give not only the generous and real help proposed in Lord Bethell's resolution — a resolution which we support wholeheartedly — but at the same time to start political and diplomatic manoeuvres aimed at a peaceful solution to the Afghan crisis with the immediate, total and unconditional withdrawal of Soviet occupation troops and the recognition of the right of this heroic people to self-determination. The refugee problem is not only that of their survival but, in the longer term, must be their return to the native land from which they have been hounded by an all out war.

In order that we may make a start on finding a solution to the very serious crisis in Afghanistan, which is jeopardizing the whole of East-West relations, our Community must not simply give its theoretical support to the United Nations resolution of 20 November 1980 and President Giscard d'Estaing's proposals; both of them have been thwarted, the first by the unwillingness of some of the surrounding countries and second by Babrak Karmal in Moscow in February 1981 on behalf of the Soviets. If, like the

previous proposals put forward by the Community, early in 1980 that Afghanistan could become neutral territory and that of January this year put forward by the government of Pakistan, it is largely due to the Soviet wish to open negotiations only after the country has been 'normalized', as it is also due to the fact that the real negotiating parties, that is the Afghan resistance who are fighting in the country, are not invited to the negotiations.

For the first time the European Community recognizes in the Maastricht statement the existence of such forces and the legitimacy of the resistance which they are leaving:

... the European Council notes with grave concern that military operations by Soviet troops against the Afghan people, who are resisting this external interference, are continuing ...

This is an important statement and its strength and logic lie in its giving political and diplomatic recognition to the Afghan resistance as one of the essential parties in any negotiations, essential so that the Afghan problem can be resolved before there is any risk of escalation with the indirect presence of another super power, namely America.

This is why the Socialist Group is addressing to the President of the European Council and more particularly to the President of the Commission Mr Thorn, an urgent appeal firstly that adequate aid should be given and dispatched urgently to the 2 million Afghan refugees; secondly that all the necessary steps are taken to set up an Afghan bureau able to deal with some of the enormous humanitarian problems posed by this continuing exodus; thirdly that contacts should be made with individual groups and representatives of the Afghan resistance, particularly with the Islamic alliance, with a view to its future negotiating role; fourthly that delegations should be sent from this House to Pakistan and Iran to look at the areas affected by the Afghan refugee problem and lastly that we should send observers to the session of the International People's Tribunal from the first to the fifth of May in Stockholm, which will be presided over by Professor Rigaux of the University of Louvain who will be hearing reports, witnesses and evidence and will give judgment on the Soviet invasion of Afghanistan, just as, some years ago, the Russell Tribunal enquired into and gave judgment on American atrocities in Vietnam.

**President.** — I call Mr Van der Gun.

**Mr Van der Gun.** — (NL) Mr President, first of all, it was with some surprise that I learned this morning of the interpretation placed by the President-in-Office of the Council on the results of the Maastricht meeting. Of course, it is only natural for one person to place higher advance hopes than another in a meeting of this

**Van der Gun**

kind, but unless the answers to the questions I am going to ask turn out to my satisfaction, I am bound to say that, from the point of view of employment policy and the fight against unemployment, I am anything but satisfied. The European Council has declared itself seriously concerned at the scale of the unemployment, especially among young people. That is of course in itself perfectly understandable and admirable, but the Council then goes on to say that this whole problem — especially as regards young unemployed persons — should be tackled at both national and European levels. What I should like to know is what form the European approach will take. I have come across this phrase on a number of occasions, but every time in the past the Commission has tried to put certain proposals into effect, we have come up against the problem that certain Member States want to have nothing to do with a European approach. Then again, there are the cases of foot-dragging, whereby nothing actually gets done in practice despite prior agreement. That is why I should like to know what is meant by an approach at Community level. Is the European Council prepared to accept the financial consequences and thus make it possible for a start to be made at European level?

Secondly, the European Council claims that it attaches great importance to consultations with the two sides of industry. Indeed, these consultations are said to be of vital importance. But the European Council should know perfectly well that consultations with the two sides of industry in Europe have practically no chance of success because of the lack of a European industrial policy. There is no such thing as a European policy on tackling unemployment and improving the employment situation. It is only possible to conduct meaningful and vitally important consultations if the subjects dealt with are of equivalent importance. So far the two sides of industry have hardly paid any attention to consultations of this kind, partly due to the fact that, generally speaking, none of the subjects discussed are of the fundamental or vital importance the European Council referred to.

The Council then goes on to refer to the Jumbo Council, a subject which Mr Beumer will be going into in more detail. I shall therefore confine myself to asking whether there is any truth to the information I have received from a fairly reliable source to the effect that certain Member States are of the opinion that the Jumbo Council should not be convened on the grounds that this may lead to the problems of employment and unemployment being tackled at European level.

The statement goes on to say that coordinated efforts must be made in the industrial field. That is a sentiment I can only endorse, but I am sure the European Council has not overlooked the fact that there is no question at the moment of a European approach to the problem of strengthening Europe *vis-à-vis* Japan and the United States. I do not want to use the word 'protectionism', but the fact is that more and more

Member States are busy protecting their own industrial interests as far as possible, which may well improve competition between the Member States, but which does little or nothing to improve the position of European business *vis-à-vis* the United States, Japan and other countries.

Mr Van der Klaauw said this morning that he was very pleased at developments regarding support for the steel industry. That is something I really cannot fathom out. We have now spent two years discussing social measures in the steel industry, but even now it is by no means certain that these will in fact be adopted. On the contrary, some Member States have clearly raised objections to this scheme in the European Council, including the Netherlands, to name only one Member State that I know about. We must realize that, if this kind of thing is going to be committed to print, it will automatically give rise to expectations which we shall then have to fulfill. So far, I can find no cause whatsoever for satisfaction with what the Council of Ministers has done to solve the problem of the social measures to back up restructuring plans for the steel industry.

From the point of view of employment policy and the fight against unemployment, there is no cause for satisfaction whatsoever. There is, however, cause for disappointment, because the Maastricht meeting produced neither short nor long-term prospects for 8 million unemployed in the Community.

**President.** — I call Mr Spencer.

**Mr Spencer.** — Mr President, you have already been very kind by marking my birthday with three bottles of wine, so the additional gift of one minute is graciously accepted.

I just want to apply myself to this wonderful word 'jumbo'. Members may actually not know that Jumbo was the name of a Victorian elephant, who was exhibited in London for financial gain. When this elephant grew old, his owner sold him to an American. When he was sold to America it became a matter of public outcry. Patriotic songs were written about Jumbo. He became a political freak, a political exhibit. I just hope that the jumbo Council will not go the same way as Jumbo the elephant. If the Council, whatever its good intentions, is to work if 30 ministers are really to produce a strategy on unemployment, it must be properly prepared. Now, there is an amendment down in my name deleting the reference to June and inserting 'proper preparation'. If the Commission and the Council can assure me that such a meeting will be well prepared, that it will lead to some action on unemployment, I shall of course happily withdraw that amendment. There could be no crueller deception than to raise expectations and then disappoint them.

**President.** — I call Mr Papaefstratiou.

**Mr Papaefstratiou.** — (GR) Mr President, it is a fortunate coincidence that the European Parliament is today discussing important political matters which only a few days ago were being considered by the Heads of Government at the Maastricht Summit. Let me begin with an internal Community matter, the seat of the European Parliament. We all appreciate the political problems which make it difficult to reach a decision on this question, but all those involved must also appreciate that establishing a permanent seat with the necessary operating facilities will make Parliament's role considerably easier, and we must therefore all try to find the best possible solution in the near future.

Let me turn now briefly to the two major problems of foreign policy, on which resolutions have been tabled in Parliament — Afghanistan and Poland. Some people have doubts as to the extent to which the countries of the European Community can have a decisive influence on international problems, in view of the arms race between the superpowers and the expansionist role they frequently want to play. However, I think I can express the conviction that the unity of the free countries of Europe, demonstrated by the setting-up of the European Community and accompanied by the universal hope that it will make even faster progress, gives Europe a special standing and the moral weight to play a major role in solving international problems, and particularly those which threaten peace. As regards the problem of the Afghan refugees, I do not think anyone can deny that a way must be found of giving them more and better support, while at the same time pressure must be brought to bear to obtain a withdrawal of Soviet troops from that country.

On the subject of Poland, I should like to propose to Mr Haferkamp that a delegation be sent to Poland consisting of Members of the European Parliament and a representative of the Council of Ministers, so that the Community can play a major role in view of the threat to peace which has become evident in that sensitive region.

We must certainly find a way of speeding up material aid. At the same time, however, it must be appreciated by all that this aid is being given to the Polish people, which is currently facing so much suffering and hardship, in the hope that this will be linked to even greater political aid on the part of the Community. I sincerely hope that this major problem, which is causing concern to all of us, will soon have a positive outcome.

**President.** — I call Mr Van Minnen.

**Mr Van Minnen.** — (NL) Ladies and gentlemen, those who want to catch sight of an extraordinary

phenomenon speeding through our European institutions these six months will have to keep their eyes peeled, because the body in question is barely visible, let alone tangible. What I am talking about is not a new comet — that at least gives off some light to betray its flightpath. No, the prematurely defunct heavenly body I have in mind bears the title 'The Dutch presidency', that much-heralded apparition which, it was said, would show us the way out of many an impasse, the saviour promised to the Community in days of yore.

The Dutch Prime Minister — doubling as the President-in-Office of the Council — the same gentleman who was very welcome here in March and would still be welcome here in April and who would still be a little bit welcome here even in May — but whom we shall not have to bid welcome any more because of his failure to placate the French Super-President-in-Office — as I was saying, Mr Van Agt had so proudly given notice of his intention to come here and spread the word of his presidency and to scatter initiatives left, right and centre; initiatives like the combined meeting of the Council going under the comical name of the Jumbo Council. Whatever became of this 'Jumbo' jet? It would not even take the Concorde to show it a clean pair of heels now — even a glider would move faster. What, after all, does this Jumbo Council amount to? No matter what complex interpretation is put on the term, all it amounts to is that, at a given moment, the Ministers for Social Affairs get a chance to make their voices heard in the economic debate which has so far practically dominated the Community to the exclusion of all other concerns. That was the Dutch presidency's chance to do what the others had so blatantly left undone.

But in fact what happened was that we — and when I say 'we', I mean not only this House, but also the millions of unemployed — were simply sold down the river. Now we have heard the representative of the Presidency announce — I am sure against his own better judgment — that the Council will be having another go at solving the problems in June. Well, I am sure that once June has been and gone, we shall see that we have not moved a step further forward in the direction of a common, integrated policy on unemployment, in the direction of a slightly more social policy, while at the same time those things the Community institutions can do are dealt with by way of instruments dating from the 1930s, to wit deflation and austerity policies, and that at a time when unemployment has now taken on a form we would once have regarded as inconceivable in the twentieth century. Meanwhile we have been listening to Mr Klepsch and Mr Berkhouver put the case for a sort of European passport as a sop to the voters when our main concern should be the 10 million unemployed we shall have at the next European elections in 1984 if things carry on like this. What do you think voters' reactions are likely to be then? All the time, the economic aspects of this crisis are left untouched.

**Van Minnen**

Here and there — as in the steel industry — we have managed to admit that there is a manifest crisis, but it is just as manifest that the social aspect of the anti-crisis measures works one way only — that is to say, making workers affected by the crisis redundant.

Of course, we cannot make the Dutch presidency responsible for everything. After all, it makes enough of a mess in the Netherlands alone. But we can at least blame the Dutch presidency for telling the people — certainly those in the Netherlands — that something would be done about unemployment in Europe, and then subsequently doing as little as the Dutch Government has over the last six months, which have been replete with all manner of opportunities at European level. The Dutch presidency probably assumes that the Dutch people are not aware of how little is being done over these six months. Perhaps the Dutch presidency is speculating on the fact that this meaningless interregnum will be forgotten as soon as possible. But in the final analysis, I think the most tell-tale explanation is to be found in the way in which Mr Van der Klaauw first of all himself asked the question what the Dutch presidency should be aiming for, and then supplied the answer himself: to do the honours. I can think of no more accurate statement of a bankrupt policy.

**President.** — I call Mr Ligios.

**Mr Ligios.** — *(IT)* Mr President, ladies and gentlemen, I do not think it would be an exaggeration to say that, in some respects at least, the Maastricht meeting of the European Council ended up being the final authority on questions which the usual institutions had not been able to solve within reasonable time — fishing, iron and steel, the seat of this Parliament and the European passport, to name but a few of them.

Economic and monetary problems were particularly important, but only because of the promise it holds for the meeting in June and not because of any effective decisions taken. This is how it appears to us.

As regards questions of international policy the Council restricted itself, to a certain extent at least, to confirming the opinions it had already expressed.

This would seem to be a very serious prospect, if only because of the number of problems which remain unresolved and which were not tackled with enough determination.

The principal European newspapers spoke of disagreement, of frustrated hopes, of breakdown and of disillusion. It does not seem to me that we should regard these judgments as correct. They are too severe when we recall that the whole history of the Community is one of a long and tortured compromise. I do agree with the appeal which Mr Thorn made this morning:

now, when we are about to reach so many important decisions in the Community, we must reach an agreement. And I pay willing tribute to the Netherlands presidency for the efforts made to ensure that the Maastricht session retains some political relevance. On the other hand, there is no denying that the European Council has gone its own little way and lost efficiency these last few years to the point where we can be calling for a debate on the very role and purpose of such a body. At this last session its role was largely — not entirely but very largely — reduced to calling on the usual institutions to intensify their efforts to find some agreement on problems which generally belong on their own doorsteps, like that of the European passport, which has been with us for ten years now. All this happened just at the time when problems of quite different significance needed solving — problems like defining new policies for the future development of the Community, like increasing resources to allow new policies to be implemented and enable the Community budget to have some real effect on economic convergence. Problems, lastly, like changing the common agricultural policy in order to eliminate the distortions which we know so well, and which now seriously threaten the breakup of the Community.

The citizens of Europe are unable to understand how decisions of great significance, solemnly taken in the past, such as bringing about an economic and monetary union, transforming the European Community into a European union, increasing the powers of the European Parliament, the need to bring about better balance between the various regions of the Community and the implementation of a common energy policy should be disregarded or abandoned, with serious implications for the Community and damage to the image of the institutions and of the European Council itself.

What is most worrying, however, Mr President, to those of us who believe in European unity is the veil which has been drawn over the question of developing the institutions, particularly as regards the authority and the role of this assembly and as regards relations between the institutions. The sad fact is that our governments are nowadays presided over by men, illustrious though they be, who do not have the European viewpoint of their predecessors whom we remember and who are quite rightly considered the founding fathers of Europe. And so, though they half understand that the only possible answer to the problems of our people must be sought in greater European unity and consciousness, they have neither the time nor the imagination needed to ensure that this Community is the most important subject of their labours.

**President.** — I call Mr Pasmazoglou.

**Mr Psemazoglou.** — (GR) The results of the Maastricht summit should not be judged only by the proof of cohesion and by the decisions which have been communicated up till now, although I do not wish to underestimate these. The decisions were worthy of attention, and I believe that both the Maastricht communiqué and the proposals on Afghanistan and Poland, as well as the suggestion that there should be a meeting of the Council of technical ministers to tackle the problem of unemployment, should be approved, and I myself shall certainly be voting in favour of them. However, at the moment, the results of the Maastricht Summit should be judged in the light of the seriousness of the international economic and social problems facing the Community and the rest of the world. And it is in this light that the results of the Maastricht meeting must be considered very meagre. I believe that it will be impossible for us to achieve what our peoples and the rest of the world expect from the European Community unless there is a declaration of policy, unless there is a political resolve on the part of the Community — and hence on the part of the Council of Ministers — to give a new impetus to the European Community both in international affairs and in tackling the economic and social crisis. To achieve this, I think our decisions should be along the following lines: Firstly, there is the reorganization of the institutions of the Community and the strengthening of the functioning of all of them in increasingly closer cooperation with the European Parliament. Secondly, there will have to be a decision to tackle both unemployment and inflation, and this will require a new economic strategy. I noted that the President of the Council of Ministers said that structural problems could be tackled only in the medium and long term, and not in the short term. This is unacceptable. We could have a new economic policy based on the regional development of Europe, thereby strengthening the economically weaker regions and countries of the Community, and this would prevent a further increase in inflation. The third line of approach would be a political decision by the Community to revive and promote understanding between the rich and the poor countries of the world, with particular reference to an understanding with the oil-producing countries.

I think, Mr President, that only if there is an indication of such a political decision, of such a political impetus, will what Mr Thorn, President of the Commission, so rightly said turn out to be justified — that the European Community is the only international body which has the political and economic weight and the conviction necessary to achieve these results.

**President.** — I call Mr Puletti.

**Mr Puletti.** — (IT) Mr President, I listened very closely this morning to the speeches by the President-

in-Office of the Council and by the President of the Commission and it occurred to me suddenly that their views on the Maastricht European Council were somewhat different. In fact, the President-in-Office spoke of solutions and constructive results whilst Mr Thorn spoke of the disappointments so far. In this connection I do not think it worth referring again, as the leader of my group has already done so, to the fact that this Parliament is both the heart and the conscience of Europe.

Within the limited time available to me I propose to put to you one or two critical comments. The Italian Government went to the Maastricht meeting with the intention of fighting what is considered to be an element which is working against the strengthening of our economy, namely the inflationary process. Measures followed immediately, with restricted credit, a call on banks to deposit 20% of their reserves, a 30% rise in interest rates, all of which is a direct attack on the small and medium undertakings which we in this Chamber so frequently speak of supporting. It was also confirmed that as a second phase it will be necessary to set about changing the system of indexing, and more particularly to attack the 'sliding scale' which has been referred to in debate as the fundamental cause of inflation, although no thought has been given to the fact that in our country if indexation and the sliding scale are turned off indiscriminately — and a Community directive is proposing precisely this — it would throw into confusion the systems for notional rents, for the repayment of treasury bonds, for the public finance of political parties and for prices administered by the Italian interministerial committee on prices.

What we also noticed was that at the same time as there is a justified concern in Europe to restore the European economy to health, little or nothing is being done by way of controlling the largest companies. We have only to consider the fact that there is in Italy at this very moment a serious argument with Fiat, who raised their prices immediately by 3.3% and wiped out any advantage gained by the 6% devaluation of the lira. The Council must therefore look at this problem to ensure that it is not the weakest classes, the working classes who have to pay the price of restoring the balance of our economy.

One second and very rapid point, to which one of my colleagues has already referred. Various press organs have published a report, which, if it is true, should cause real alarm. It is reported that the Federal Republic of Germany and France have obtained a loan of 5 000 million dollars from OPEC in order to research into the subject of alternative energies, which those two particular States were very reticent about in the debate on the budget. If this is true, it will be one more attack on the credibility of the Community institutions. It would mean that not only does a two-speed Europe continue to survive, but that the economic role of the Franco-German access, which was already

**Puletti**

conspicuous, is now changing into a political role which not one of us would be prepared to endorse.

I believe that the European Council should tackle this problem in its June session in this year, which we are told is the make-or-break year for the European Parliament. Indeed, there is already talk of reviewing and renegotiating the Treaty of Rome which established this Community, and of which this House is the true voice of the people.

We must strive in the months to come to defeat this rise in national egotism, to ensure that this House and all institutions of the Community remain as something more than a monument to a noble ideal.

**President.** — I call Mr Beumer.

**Mr Beumer.** — (NL) Mr President, the European Council gave a demonstration in Maastricht of enfeebled political will. Those decisions which could have provided more justification for the meeting of Heads of Government were in fact not taken. The fact is that the Heads of Government were present in body in Maastricht, but had stayed at home in spirit. I must say, though, that the criticism Mr Van Minnen unleashed on the Dutch presidency was contrary to the spirit of collective responsibility of this House. I must say that I detected in his arguments not a single substantive suggestion which would help the people whose case he was stating. He used to do exactly the same kind of thing when Mr Vredeling was here, and his target this time was the Dutch presidency. I do not see how he can keep up this kind of woolly-minded thing.

The current unemployment situation is extremely damaging to both individuals and the Community as a whole. Of course, there are no short-term solutions to the problem. Of course, inflation is an important, fundamental factor. But my Group is dissatisfied with what has been done so far. We feel that more could have been done. At least the Dutch presidency can claim credit for having brought up the idea of holding a meeting of the Jumbo Council, credit which it shares with the European trade union movement and the European Parliament. All too often in the past, decisions taken by the Council of Ministers for Social Affairs have been given the thumbs-down in the Council of Ministers for Finance and Economic Affairs, often after the two sides of industry have been consulted. That kind of thing must stop, and for that we need more effective policy coordination. The room for manoeuvre is restricted, but I think the chances would be improved if we were to put our heads together, and that is something which could be done by the Jumbo Council.

I think there are opportunities open to us. The European Council's report speaks of thorough preparation, but the basic material is not what is missing. What we

really need is the political will to put that material to use. We are afraid that thorough preparation may mean that the necessary coordination will go by the board. That would be an intolerable situation. Taking the Commission's report in isolation, it seems to me that there are enough points there to make a meeting of the coordinated Jumbo Council a meaningful event. For instance, the Commission's report refers to the importance of a coherent joint programme. That is the kind of thing we need a coordinated Council for. The Commission's report — which figures far too little in the Council's report — also refers to increased investment grants and a properly organized restructuring programme. Surely that kind of thing is impossible without a coordinated Council?

But even in the Council's report, there are enough points to get started on. For instance, the report refers to the need to improve policy coordination and to make more use of the existing mechanisms. It also says that the existing funds must be applied and coordinated better. Mention is also made of the vital importance of consulting the two sides of industry, but if the process of consultation is really all that important, what policy proposals does the Council have to offer? The report also refers to a coordinated approach in the field of industrial policy, but surely all these things are impossible without a coordinated Council? That is why I take the view that by not wanting a coordinated Council, you are in fact rejecting joint policy as such. That is the only possible conclusion to be drawn. You can draw up the most marvellous timetables, but that does not necessarily mean that the trains will run. Then there is the question of interest rates. Calculations produced by the joint planning authorities have brought out once again the close correlation between interest rates, economic growth and employment. The Commission says in its report that the monetary authorities in Europe must work out a joint strategy *vis-à-vis* the very high and fluctuating interest rates in the United States and the dollar exchange rate. In doing so, it also rightly draws attention to the danger of our exchange rates lagging too far behind as a result of inflation. The real significance of the rise in interest rates is that the process of economic recovery will take that much longer. It also means that budget deficits will be felt all the more keenly, that structural reforms will have to be left to much later and that there is less we can do about the rising level of unemployment. That is the real significance of the interest-rate developments we are seeing at the moment, and that is why I think that what the Council's report has to say is inadequate and not clear enough.

The dialogue with the United States must be intensified . . .

(The President urged the speaker to conclude)

**Beumer**

... What we need is a whole series of agreements as suggested by Belgium. Can we not study this possibility in more detail?

**President.** — I call Mr Fich.

**Mr Fich.** — *(DA)* Mr President, many people have expressed great pessimism after the Maastricht meeting, but one must really ask what these people expected. At the meetings of the European Council it is still more the rule than the exception that there are in fact no particularly concrete results. There have been very few occasions on which the European Council has actually reached concrete decisions nor has it in fact ever been intended that it should do so. Mr Møller pointed this out earlier today and I agree with him. The idea behind the European Council was that it should lay down the broad guidelines and that then it was up to the Council of Ministers to do the concrete work. It has never been intended that the European Council should develop into a type of court of appeal to which one could go whenever something could not be achieved in the Council of Ministers.

In my opinion the problems originate in reality in the Council of Ministers, in that one can relevantly ask: is there any Council of Ministers at all? In my view there is no Council of Ministers; there is a long succession of Councils of Ministers which work alongside each other but without adequate coordination between them. We have seen on many occasions how the Council of Agricultural Ministers takes one decision while the Council of Finance Ministers takes another decision, and in spite of the fact that the two organs should really be one and the same, the two decisions have not very much in common.

But apart from these procedural problems one can of course also ask why no results emerged from Maastricht? Are there other reasons for this? In my opinion there are other reasons. There are structural reasons. We must not forget that the EEC was set up in the 1950s to solve regional problems in Western Europe, problems such as agricultural systems, the customs' union, the coal and steel union, and during the fifties and sixties the EEC virtually solved these problems. But the problems which we face nowadays are of a different nature. They are in fact much bigger, they are worldwide, and it is now becoming evident that in fact, the EEC does not function particularly well when it comes to solving these problems, because it does not have the competence, so to speak, to solve them. For that reason I think that it is a purely structural problem which is now coming to light so clearly in connection with the EEC.

The conclusion to be reached after the Maastricht meeting must in my view therefore be that the EEC obviously cannot solve the very crucial problems such as unemployment, energy, and others which we are

facing. We know also that these problems cannot be solved at national level and our bitter conclusion must therefore be that we in fact lack adequate and efficient, different and wider international organizations which can tackle these problems and solve them.

**President.** — I call Mr Estgen.

**Mr Estgen.** — *(FR)* Mr President, like all my colleagues, I have listened with very great attention to the statements by the President-in-Office about the meeting of the European Council in Maastricht, and also to his statement that during the present economic difficulties the Community still represents something of fundamental importance; a statement which the Council endorsed unanimously. That is a comforting thought, but they are more fine words than anything else, and I am inclined to think of Dr Faust's words: 'I understand the message well enough; what I lack is the faith'.

I am speaking here today as a member of the Committee on Youth, Culture and Information and, so to speak, on behalf of the youth of Europe who are likely to be losing their faith and their confidence in the Community and its institutions. I am afraid that the Maastricht Summit has, alas, done nothing to dispel their scepticism in the face of an uncertain future where the spectres not only of unemployment but of endangered peace and liberty, are present. Quite the contrary, in fact: the Maastricht Summit has added to the disillusionment felt by the young people of Europe; we must be candid about it and not hide it from ourselves.

What is more, the summit has not brought one inch of progress to the European cause. All of the great problems still remain without any precise answer, and with no real political impetus. It may be true that agreement has been reached on a number of points such as dialogue with the United States, the Council's performance as regards the Middle East, particularly on the question of a common approach to monetary policy, is very meagre. Other questions of foreign policy — Poland — show some more convincing agreement. Those, however, who look for some joint strategy on security and defence will look in vain.

As for the question of the seat of this Assembly, as a Member of this House I find myself scarcely satisfied by the solution — if solution it is — of retaining the status quo. The problems are merely being deferred, not resolved. On the other hand, I am a Luxembourgier too, and I have at least the satisfaction of seeing that the European Council has neither attacked nor broken previous agreements made with a small member country, and has respected the reasonable interests and acquired rights of that country. I hope that the Ministers of Foreign Affairs will be able to decode by the 15th of June the message which at least

**Estgen**

one of us has found sybilline, and interpret it plainly. And in any event I hope that the dialogue on this point with the European Parliament will not be a dialogue between the deaf; I am convinced that this House itself will help find an equitable solution which can be taken in full knowledge of the political consequences and financial implications of any proposed solution, and taken with an eye to the legal competences which are set out in the Treaties.

Come what may, we must, I feel, abandon the idea that a European summit can be any true reflection of European policy, or can give any real impetus to such a policy. Too much propaganda and too much show-business surrounds this meeting of the Heads of State. Of course, it is very good that from time to time they should meet around the fireside for an exchange of views and to think things out together. Indeed, it would be better done without any official communiqué at all, and we are quite right to ask exactly what such a vague communiqué as we have is worth. The lesson of Maastricht has been all too plain: in future we must not expect anything too precise from a European summit, over and above the general goodwill which blows around such meetings.

For our part we must consider ourselves lucky that no ill wind is blowing around us. Mr Thorn did well to remind us that we must change, direct our thoughts elsewhere, change our procedures, and that the European institutions set up by the Treaties must set out to exploit to the full the powers granted to them by those Treaties. Parliament and Commission must close ranks to face the challenge of this day and age, together with a Council which is not split amongst Ministers with different responsibilities who not infrequently contradict each other, when for example the Ministers of Transport block the way of the Ministers for Energy, and those for Finance obstruct the plans of their colleagues for Agriculture and so on. So that we can get out of the impasse, out of this stagnation we have at present, governments must agree that each will set up its own office responsible for coordinating European affairs, just as Mr Klepsch, the President of our Group so rightly advocated this morning when he spoke of centralization ('Federführung'). It is my belief that proper ministries for Community affairs should be established by each government, and that those affairs should not be left to be dealt with by second-division departments. This Parliament and the Commission must have for dialogue a proper college of government ministers empowered to bring about advances in the European Community.

It is with this in mind that I will close by saying that never again, shall I expect too much from so-called summits. That, however, is also why they will never shake my faith in the idea of European advance. What is needed is for the other authorities established by the Treaties to give to the young people of Europe a belief in the vitality of our Community; vitality which, even during this time of great difficulties, and above all

now, should not show signs of stagnation, and even less of recession.

**President.** — The President-in-Office of the Council has to leave us now, and has asked to speak for one last time by 5 p.m. at the latest. I call Mr Van der Klaauw.

**Mr Van der Klaauw.** — (NL) Mr President, I am sorry, but as I said earlier, 5 p.m. is my absolute deadline. Following on from what I said just before lunch, I should like to deal with just one point, and the Secretary of State will be replying to the whole debate after the last Member has spoken. As I said earlier, it has become evident in this debate that what we are concerned with is not merely the report on what happened at the meeting of the European Council, but the whole range of European politics, for which the Secretary of State in my Ministry is responsible.

As regards unemployment, I should just like to say that this problem dominated our discussions in Maastricht, as is only logical and self-evident. The problem of unemployment will of course not be solved at a stroke at a single meeting of the European Council, but one thing is sure, and that is that it cannot be solved at national level. The problem of unemployment must be tackled in a Community context, and the European Council meeting in Maastricht had a number of discussions on this point, in the course of which reference was made to striking out along new paths in the context of industrial innovation and the importance of providing technical training for young people, to equip them to work in such future-orientated industries. If I may speak as a Minister in the Dutch Government for a moment, I would say that we have of course a high level of unemployment, but on the other hand we are crying out for suitable, trained staff to work in our advanced industries. I think the same applies to many of the countries of Europe. Technical training for young people is one of the things the European Council came out in favour of.

Moving on to the overall approach to the problems facing us, Mr Beumer had some very noteworthy things to say on this score, especially with regard to the Jumbo Council. He was indeed right in saying that this amounted to an integrated policy. We already have an integrated policy in a number of sectors, but not in the social field. That is the weak point of the Community, and that is what we must do something about. It is precisely for that reason that we intend to convene the Jumbo Council to tackle the social problems in conjunction with economic and financial policy — in other words, the whole thing at one go. But that is not something we can do from one day to the next, and for that reason, the motion for a resolution rightly calls for thorough preparation of this meeting. Something must come out of the meeting. The discussions must be specific. But the Council does

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not necessarily have to cover the full range of problems, if it can only do a certain amount of ground work which we can then build on. What we have here is a completely fresh approach, a Dutch proposal adopted at the meeting of the European Council in Luxembourg and continued here. Of course, there is some degree of scepticism — that is only to be expected. Whenever you start anything new, people are bound to ask whether anything will come of it. Our aim must be to try to give priority to specific elements, which is why I am pleased at the text of the motion for a resolution and deplore the lack of agreement on it in this House. Listening to Mr Van Minnen going on about the fact that the Jumbo is even slower than a glider — and bearing in mind too that a number of Socialist Members have joined in tabling this motion for a resolution — I feel bound to point out that Mr Van Minnen is entirely ignoring the reference to thorough preparation. But the Dutch presidency is endeavouring to convene the Jumbo Council during its period of office. We cannot put off the Council meeting for too long because unemployment has become too serious, and we must do something about it as quickly as possible. We therefore intend to put our shoulders to the wheel to make a success of the meeting. And I can promise you that the Dutch presidency will do just that.

There is one more comment I must make before concluding. It may be injudicious for a minister to say anything about a parliament, but I believe in the European Parliament, I believe in the future of a democratic Europe, and with that in mind I should like to address this appeal to you in all sincerity: if we are to have a European Parliament, then let it speak with a European voice.

*(Applause)*

Too much priority is being given to national interests. The European Parliament must be European in spirit — just like the European Council — however difficult it may be for this House, for the European Council and for the ordinary Councils of Ministers to think in European terms.

Mr President, I shall look forward to the next debate with the European Parliament. Once the last Member has spoken in this debate, the Secretary of State will be glad to go into all the questions which have been raised, and I can assure you that you will receive an excellent reply from him.

*(Applause)*

**President.** — On behalf of the House, I should like to thank the President-in-Office of the Council for staying here so long and for his statements and remarks.

I call Mr Penders.

**Mr Penders.** — *(NL)* Mr President, I should like to begin by congratulating the Minister on what he had to say at 4.10 p.m., especially his complaint that so few Members of this House were present in the Chamber. I think this was an excellent point, and in my opinion, he was quite right.

I should like to deal with two questions: the matter of the European Parliament's permanent seat and the fact that it was the Minister who reported back to us on the meeting of the European Council rather than the President of the Council itself.

What the European Council did as regards Parliament's permanent seat has left me totally baffled. What it boils down to is that the European Council decided to take no decision at all, and this despite the fact that France had asked for a final ruling on the question and the European Parliament had asked to be consulted in any decision on the matter. The interesting point now, Mr President — and I trust you are listening carefully here — is whether we are to interpret this non-decision as a defeat for France. If so, that would explain the nervous haste with which Paris sought to bend the status quo decision in Strasbourg's favour immediately after the European Council. I would also say that the intrigues surrounding the question of Parliament's seat justifies this House's wish to decide on its own place of work. The voters have no sympathy whatsoever for this House's inefficient wanderings. For that reason, I believe that the European Parliament should reach a decision as soon as possible on the basis of the Zagari report, and incidentally, my Group goes along with me in this. I may add in a personal capacity that I am not prepared to tolerate a situation whereby the European government and the European Parliament meet at places hundreds of kilometres apart. To my knowledge, there is only one other place in the world where a similar situation exists, and that is South Africa. I am sure you will understand my desire not to take the comparison any further.

The second point I should like to make, Mr President, concerns the absence in Strasbourg of the President of the European Council. It is evident from Mr Van Agt's reply to Mrs Veil that he was quite willing to come here but that he did not do so because he failed to obtain the Council's unanimous approval for it. On the other hand, it seems to me that he thereby forfeited an opportunity to do something for European unity. It is a pity that had to happen. It need not be disastrous, but we are bound to ask what he got back in the form of European — not national — change. Perhaps it was that which persuaded him to stay away from Strasbourg. Unfortunately though, I can see no sign of any such *quid pro quo*, and for that reason I have to say that it is in my opinion unfortunate that he let this chance to improve the image of this House and thus of the democratization of Europe slip through his fingers.

**President.** — I call Mr Michel.

**Mr Michel.** — *(FR)* Mr President, ladies and gentlemen, I would like first of all to make three observations, and then to propose to you three things which can be done. My first observation: the Council's self-satisfaction with what went on at Maastricht. The Council notes that the Community has a healthy and stable infrastructure which would give us cause for rejoicing if it were true; that there is sustained economic growth, that employment levels are satisfactory, monetary policy is prudent, that there is healthy management of budget and public and private investments, and they are productive and dynamic, and finally that economic structures are tending towards renewal and efficiency. At the same time the Council observes that the inflation rate varies widely and is serious and, it says, threatens the future not only of growth but also of our economic and common monetary coherence. As regards monetary policy, the Council wishes to intensify its dialogue with the United States particularly as regards interest rates, so that a joint attitude can be adopted. Let us wish the Council good luck and all success in this tricky business of monetary discipline . . .

The second observation: to say that all of this is positive quite simply because ten Heads of State or Government have confirmed that in the present difficult economic and social situation they still believe that Community development is useful is to tell only half the story, because to do so is not to do anything about the European challenge of today and the future, and with good reason. At the very time where Europe has finally achieved balanced solutions to the problem of agricultural prices, after debate in this House, with the agreement and positive assistance of the Commission, and with the support of the Council, after all the negotiations which we know all too well, with an increase of about 12% in agricultural prices and some monetary adjustments — all this is positive and we can and should be delighted — but at that very moment we also have to observe that though we may well have given some satisfaction to some 8 million people in agriculture, we also have 8 million unemployed.

A third observation. These 8 million unemployed include two million young people, and we must learn what the position is in the economic and financial crisis, because levels of wages, unemployment benefit and social security are being challenged through an attack on indexation. When we talk of high and widely varying inflation rates, which are a threat to growth, we must of course do something about it. Mr Glinne said this morning and others have said since, that wages and benefits are being attacked not only in Belgium and in Italy but in other countries. We need some real proposals from the Commission which we can evaluate together with our opposite numbers.

As a result, Mr President, we also have a problem with our Community budget. Out of 17 814 million EUA, 3 299 million will go to science policy, energy, transport industries, the Regional Fund, the Social Fund and cooperation and development. I would now like to finish my speech by putting to you briefly the three proposals I have. First, it is our belief that ministers for the economy, for finance, for social affairs and for employment must meet at Council level to draw up a plan for relaunching the economy when they have made contact with all sides of industry, and that they should propose a number of measures which should be submitted to the opinion of this Assembly as Jacques Moreau and I requested in a motion for urgency. Secondly, we believe that if the employment situation in the Community is to be improved, we must be able to take new technology on board straight away and at every level: electronics, telematics, cybernetics and microprocessors in particular; at the same time we must also have job training to retrain workers. An integrated programme must be started involving workers, employers, governments and the Community together: we all share those responsibilities.

My third proposal, lastly: we believe that if this Community does not accept its responsibility towards Third World countries then it has no future as far as young people are concerned. The economic crisis is certainly hard and frequently burdensome for our people. However, it is even more so for the populations of developing countries, particularly those who do not have any oil resources. This means that the aid which we have to give those countries is critical, and we must have not only a coherent policy but we must speak with a single voice, for, should our foreign policies remain uncoordinated we risk acting in conflict and inefficiently. If we wish to avoid the rebirth of the individual nationalism which has been mentioned, we must learn to act together: in this particular area it is critical. We must establish ambitious Community policies and commit a minimum budget to them for 1982.

**President.** — I call the Commission.

**Mr Haferkamp, Vice-President of the Commission.** — *(DE)* Mr President, ladies and gentlemen, I have a few comments to make on the motions for a resolution on Poland and refugees from Afghanistan and on the various references made to these matters in the course of the debate.

I shall not dwell on the political statements. You may take it as read that the Commission agrees wholeheartedly with what has been said on this score. In neither case have we ever wasted much time on making political statements; instead we have always endeavoured to ensure that action follows hard on the heels of any such statements. That, as far as I am concerned, is all that matters.

## Haferkamp

For instance, we have acted fast on the situation in Poland, both now and in December of last year, as was pointed out this morning. On the Poland issue, our action is dictated by two fundamental considerations. First of all, we are paying heed to the wishes and suggestions of the Polish Government. Secondly, we are doing our best to ensure that decisions are taken quickly and implemented likewise. Acting on these principles, the Commission and the Council were very quick to take their decision on the basis of the political guidelines laid down by the European Council in Maastricht. This decision concerned food supplies with some 200 million EUA, as requested by the Polish authorities. The idea is that some 160 million EUA of this money should come from loans from the Member States and some 33 million EUA from Community funds. As a result of this arrangement, it has been possible to buy in the supplies at prices up to 15% lower than the world market prices for the products in question.

I shall not bore you with the details here, but all this amounts to some 500 000 to 600 000 tonnes of food. The project is now under way and is based in part on tenders and purchases of products held in intervention stores. However, a considerable proportion of the supplies have to be bought in the normal way on the Community market, which is not an easy matter and which requires the conclusion of hundreds of contracts. This is something that should not be overlooked because there is also the matter of transport costs and refunds thereof. We must avoid anything that makes what is already a technically tricky operation even more complicated. What we are talking about, after all, is a matter of 600 000 tonnes, or some 30 000 railway trucks full of food. You can imagine how much work is involved in moving that amount of stuff around. It all requires an administrative effort on the lines of a military operation.

And let us not ignore the matter of budget resources. The fundamental point here is that the Polish side has requested nothing in this respect. We want at all costs to avoid anything which might stand in the way of the rapid implementation of this project. This question could if necessary be dealt with in terms of the discussions which are being held in any case with the Member States on loans for the whole project. We are working side-by-side with representatives of the Polish Government, who are responsible for the entire operation.

The Poles know that, should problems or delays occur at any time and we can be of assistance, we shall always be available to give our wholehearted support. So far we have come across no such problems which could not be overcome by way of cooperation. Our aim is to find unbureaucratic and practicable solutions to the problems in line with the political decisions taken and with the Poles' own needs.

As regards Afghanistan, we have received an application for supplementary food and financial aid from the UN High Commissioner for Refugees. The Commission agrees that it is essential for us to increase our aid. The situation is more critical than it was last year. The number of refugees has greatly increased, as has already been mentioned in the course of this debate.

The Council is currently studying proposals for food aid in the form of 20 000 tonnes of cereals, 3 000 tonnes of powdered milk, 500 tonnes of butter oil and a quantity of sugar as part of the 1981 programme. The Commission is currently examining what facilities exist for supplementary urgent aid — especially in cash terms — which could be made available to the High Commissioner for Refugees. As I said, we are examining this matter, because the fact is that it is not an entirely unproblematical question in view of the budgetary situation. The main problem facing us is to find ways of financing this kind of thing from our own budget. You may rest assured that we shall try everything we can to find a solution, and we would ask this House — in view of the political support which has emerged here today — to help us by making additional budgetary resources available if necessary. Let me stress that we shall do everything in our power to resolve this problem without calling for your assistance, but should it prove necessary, we would ask you to stand ready to help out.

In conclusion, I should like to make the point that the Community and the Member States have made substantial sums available over the last two years to provide aid and to alleviate the suffering of refugees resulting from military interventions. For Cambodia and Afghanistan alone, for refugees who have been plunged into misery as a result of military aggression, the Community and its Member States have together expended more than 200 million dollars.

IN THE CHAIR: MR DANKERT

*Vice-President*

**President.** — I call Mr Van der Mei.

**Mr Van der Mei, President-in-Office of the Council.** — (NL) Mr President, in the time available to me, I shall try to make a few points which will, however, of necessity be very brief. Let me start by expanding on what has already been said about the Jumbo Council. I think it is generally agreed that the unemployment problem should be at the centre of our attention. That is the attitude adopted by the national governments, the European Parliament and the national parliaments in many respects, and particularly with regard to

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unemployment among young people. That is why we are rightly taking great care in our preparations for the meeting of the Jumbo Council. After all, what we have here is a very complex subject with both short and long-term aspects. As time goes on, it becomes clearer and clearer that what we have to contend with here is a structural problem with mainly long-term effects, which means in turn that we must not give the impression that the problem of unemployment can be solved by pioneering work in the short term.

Let me also add in this context that I noted the remarks of the Chairman of the Committee on Social Affairs and Employment to the effect that it was vitally important that the two sides of industry be involved in the search for a solution to the problems to which the Jumbo Council will be addressing itself. That is a sentiment I wholeheartedly endorse. And no doubt the honourable Member noted what the European Council communiqué had to say about the great importance which the European Council attached to cooperation with the two sides of industry. I can assure the honourable Member that we have not confined ourselves to mere words, but that at an informal meeting of the Council of Ministers for Social Affairs held recently, the Ministers discussed ways in which the two sides of industry could be involved in finding a solution to the whole problem.

The second point I should like to make concerns what was said about the indexing of incomes. The European Council discussed this matter as well as the consequences of the application of rigid systems for the indexing of incomes. The European Council was of the opinion that the virtues of this system should be reconsidered. We have heard this morning and this afternoon comments both for and against the system. I think we are agreed, though, that the problem of inflation must be tackled at European level. I also believe that we can agree on the fact that rigid indexing mechanisms tend to tighten the inflation screw still further. Views may differ as to the extent to which this is true, as emerged from today's debate. I am thinking here of the contributions of Mr Glinne, Mr Klepsch and Lady Elles.

In view of the fact that there are such differences of opinion, was it not right and judicious of the European Council to say that these rigid systems for the indexing of incomes should be reconsidered? After all, if we want to tackle inflation at European level — which is the case here, and rightly so — we cannot ignore this question.

Moving on to the problems facing the steel industry, a number of speakers have asked what is actually being done. Especially with regard to the social measures, it has been pointed out that it is apparently easier for the Council to take decisions on agricultural prices than on social measures. From the point of view of timing, that is of course perfectly true. However, taking a decision on agricultural prices is something entirely

different from meeting the social needs of the steel industry. It is generally agreed in the Council that something has to be done in the social sphere, and comparing what the Council has decided *vis-à-vis* the steel industry with our expectations a year ago, I think it can rightly be said that substantial progress has been made in this field. And I would invite the honourable Members to take a fresh look at the press release issued by the Steel Council of 26 March this year, and especially point 1 on the aims, point 3 on competition policy and point 5 on prices. It was also said at the meeting of the Steel Council that the Commission would be coming up with new documents in May containing detailed proposals for a new code of behaviour as regards support measures in the steel industry and the social aspect. In other words, something is indeed happening as regards the steel industry, but to underestimate the problems facing the steel industry would be to overestimate the opportunities available to us. As we all know, the problems go very deep, but at least something is happening.

Mr President, may I conclude with a comment of a somewhat playful nature?

I listened with great interest to those Members who passed judgement on the Dutch presidency. Many Dutch speakers and others from other Member States used a wide variety of phraseology to give expression to their feelings.

I get the impression from what I have heard from my compatriots — fortunately this does not apply to anything like all the speakers; that is another thing I carefully noted — that they are suffering from a sort of shortage of national elections. Various speakers have tried a variety of ways of appearing more-disapproving-than-thou. Mr Van Minnen, for instance, came out with a number of comments of what I would term a somewhat condescending nature. Mr De Goede, on the other hand, indulged in much earthier expressions. I can assure him that I shall not be repaying like with like. But may I perhaps quote you a few facts in defence of the Dutch presidency?

Let me begin by making the point that, like all other presidencies, the Dutch presidency too has made mistakes and will no doubt go on making mistakes. No doubt about that — that is the way things are in politics, and they are certainly unlikely to change. But I should like to point out that, in the steel sector — as I just said — significant progress has been made under the Dutch presidency. Significant progress has also been made in the field of agricultural prices as a result of the price decision taken on or around 1 April.

Mr President, I should also like to draw your attention to the fisheries policy. Of course, the common fisheries policy does not yet exist. No one would claim it did. But it was evident at the last meeting of the Fisheries Council that the political will exists to take deci-

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sions this spring in the highly-complicated fishery sector.

Let me conclude by referring to the Jumbo Council and by making a point which will, I am sure, meet with the approval of the Members of this House. The motion for a resolution calls for thorough preparation of the meeting of the Jumbo Council. The fact is that the European Council decided precisely that, and the Dutch presidency supports this view wholeheartedly. Of course, people always want a little more than they are getting, and in politics it is a good thing to adopt that kind of attitude to a certain extent. But we must retain a sense of realism. I have the impression that certain speakers' contact with the real world is somewhat tenuous.

**President.** — The debate is closed. The motions for resolutions will be put to the vote during the next voting time.

### 5. Question Time

**President.** — The next item is the second part of Question Time (Doc. 1-92/81). We start with questions to the Council.

I call Question No 53, by Mr Seligman (H-664/80):

The Venice Summit called for a major international effort to help the developing countries increase their energy production and expressed the belief that this view was gaining ground among oil exporting countries. What steps have the Council taken to implement this call in the dialogue with oil-exporting countries?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The many developing countries which do not have their own oil resources are, as we all know, amongst the countries to be hardest hit by the steep oil-price increases of recent years. For that reason, the Community — and the other industrialized countries too — have acknowledged the need to help such developing countries increase their own local energy production, wherever possible in cooperation with the OPEC countries. In the Community's view the proper forum for discussion of these problems and for the development of pragmatic solutions thereto is the global UN negotiations currently being prepared in New York, in which it is expected that probably all the developing countries and the OPEC countries will participate as will the industrialized countries.

The draft agenda for these negotiations, which is currently under discussion in New York, already makes specific provision, under the item on 'energy problems', for discussion of the particular problems of the developing countries without their own oil

resources, with the aim of agreeing on international assistance measures in various sectors.

**Mr Seligman.** — I must say I doubt whether the global negotiations are making much progress at the moment. Does the President-in-Office not agree that there is a complete interdependence of energy policy between the Community and the developing countries? We both have to reduce our dependence on imported oil and we have to do this to conquer the oil-induced inflation. Does he therefore agree that the policies of the Community and the Third World should be treated together? Research should be joint research. Finance for energy and investment should be joint finance in collaboration with the oil-exporting countries. Will he therefore instruct the Commission to make a thorough investigation of the energy investment requirements of the ACP nations as well as the Community and have recommendations ready for the Community to put forward at the mini-summit in Mexico, which is due to take place in the autumn?

**Mr Van der Mei.** — (NL) The honourable Member suggests that both the Community and the various developing countries are greatly dependent on imports of oil and that, in view of the difficulties involved in getting at the oil — if I may put it as colloquially as that — the Community should join with the third countries in developing alternative sources of energy. I think the provisions of the Lomé II Convention give a particularly clear example of what the Community is doing in this respect. Under the heading 'Industrial cooperation' in the Lomé II Convention it is stated that great importance must and will be attached to cooperation in the field of energy. This means that the Community is cooperating with the countries covered by the Lomé Convention.

Secondly, the figures from the European Investment Bank and the European Development Fund show an increasing involvement in projects concerned with energy supplies.

I therefore largely agree with what the honourable Member said about the importance of this subject.

**President.** — Since their topics are related, the following two questions will be taken together:

— Question No 54, by Mrs Ewing (H-783/80):

Will the Council make a statement on the state of negotiations for a common fisheries policy?

— Question No 80, by Mr Kavanagh (H-58/81):

Will the Council outline the results of its most recent deliberations on a common fisheries policy?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) At its meetings on 10 and 27 March 1981, the Council continued its discussions on all the questions raised by the introduction of a common fisheries policy. At the end of these discussions, which once again demonstrated the complex and controversial nature of the questions involved, the Council noted that it was not able at that stage to find an overall solution. However, as indicated in the statement made public following the Council meeting on 27 March 1981, the Council reaffirmed its political resolve to reach final decisions this spring on all the issues involved. Any further delay in taking decisions would leave those who work in the fishing industry in uncertainty for too long. Particularly for fishing fleets dependent on catch possibilities in third country waters, final decisions cannot be put off any longer.

The Presidency will convene a meeting in this connection as soon as the necessary preparations are sufficiently advanced. Furthermore, pending adoption of a final Community policy, the Council has taken a number of interim protective measures. It has also adopted the Regulations concerning fishing arrangements between the Community and Norway and off the coast of Guyana.

**Mrs Le Roux.** — (FR) Has the Council had occasion to discuss the recent boardings of Breton trawlers by the British Coast Guard? If so, have any decisions been taken?

**Mr Van der Mei.** — (NL) The Council has not been informed of this.

**Mr Battersby.** — How can the Council be so confident that agreement is possible by mid-year — as was said earlier on by the President-in-Office — when the next Fisheries Council is not scheduled until mid-June? Does the President-in-Office confidently anticipate agreement at that Fisheries Council meeting?

**Mr Van der Mei.** — (NL) To take the last question first, I am confident that this will in fact be achieved.

Secondly, a number of detailed aspects have still to be discussed on the basis of new proposals. This will require time, but in view of the fact that the Council of Fisheries Ministers has expressed the political will to reach a final decision on these matters in June of this year, we can be confident that they will succeed in this.

**President.** — I call Question No 55, by Mr Berkhouwer (H-785/80):

Is it true that the introduction of the European passport, which is already long overdue, is at present being held up on technical grounds by the United Kingdom?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) Considerable progress has been made recently with regard to the introduction of a European passport. At its last meeting the European Council expressed satisfaction at this situation. The Presidency hopes that it will be possible for the Council at its next meeting of the Ministers of Foreign Affairs to adopt the Resolution of the Representatives of the Governments of the Member States on the introduction of the uniform passport.

**Mr Berkhouwer.** — (NL) Has the President-in-Office any idea when the European passport can be introduced in all the countries of the Community? Can he give an approximate date?

**Mr Van der Mei.** — (NL) The honourable Member asks whether I have 'any idea', which indicates that he too is being cautious. To follow in the same vein, I think I can say that 1 January 1985 should be the latest date.

**Mr Van der Minnen.** — (NL) Does the introduction of this scintillating European document mean that the frontier checks which most average travellers have to put up with will also become simpler, faster, less obstructive and more inspired by the European ideal?

**Mr Van der Mei.** — (NL) The European ideal will undoubtedly be promoted by the European passport, but it is not the case that there will be a corresponding decrease in frontier checks.

**Mrs Hammerich.** — (DA) Mr President, I fail to understand the point of a new passport, since we already have one with which we are perfectly content. However, I should like to ask you about something specific. In my country there has been a great deal of concern about plans to have a machine-readable front page in every passport. May I therefore ask you if there will be a machine-readable page in this European passport, so that each person can be identified by his identity number?

**Mr Van der Mei.** — (NL) There are two questions involved here, if I understood correctly. Firstly, there is the question of whether there will be a second passport. No, there will be no second passport, there will be only one passport. As to whether there will be a machine-readable page, this is in fact the intention.

**Mrs Le Roux.** — (FR) As regards this machine-readable aspect, can the Council give us an assurance that the use of data processing will not make this European passport into an abstacle to human rights?

**Mr Van der Mei.** — (NL) I do not think the new passport will contain any more information than that given in the old passport, so I do not feel that the honourable Member's point arises.

**Mr Habsburg.** — (DE) Mr President, why was 1 January 1985 chosen as the deadline? Now that agreement in principle has been reached, it would be much easier to issue the European passport at an earlier date.

**Mr Van der Mei.** — (NL) It is not *as from* 1 January 1985 but *by* January 1985. Transitional measures will therefore have to be taken in the various Member States, and this takes time — probably more so in some countries than in others.

**President.** — I call Question No 56, by Mr Pasmazoglou (H-800/80):

A substantial number of subjects of Member States reside in other Member States. Giving these persons the right to vote in municipal elections would not only be a contribution towards European integration but would also make municipal authorities more sensitive towards the problems of these people. Does the Council share this view?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The granting of the right to vote in local elections to nationals of Member States resident in other Member States has been examined as part of the dossier concerning the granting of special rights to citizens of the Member States. Although the exchanges of views which are held regularly on this subject have revealed advantages, they have also shown that difficulties exist, particularly in the case of certain communes or regions in the Member States. This is why it has not yet been possible for all the Member States to reach agreement.

**Mr Pasmazoglou.** — (GR) Thank you for the reply. I should like to ask why it is not possible to lay down a deadline by which, in all the communes and municipalities in which the difficulties to which the President-in-Office has drawn attention do not exist, the right to vote is to be granted to workers coming from one Community country and living in another. Apart from the major importance to the workers of our countries, this is of major importance for strengthening social cohesion between our peoples.

**Mr Van der Mei.** — (NL) Mr President, I should like to reply to the honourable Member as follows. Why is no deadline set for this question? I think that, in some countries, this raises constitutional problems. In other countries there are no such problems, and in these countries moves are afoot to take measures along the lines described by the honourable Member.

**Mr Marshall.** — Would the President-in-Office of the Council not agree that it is more a question of will-power than of difficulties? Would he not agree that all that is necessary is to draw up an electoral list of all those eligible to vote in local government elections and that that should not be an insuperable difficulty if there is one ounce of will-power in the Council?

**Mr Van der Mei.** — (NL) It is always extremely difficult to say whether or not the will-power is lacking. If, however, constitutional objections are involved — and we all rightly attach great importance to our constitutions — then I think it is somewhat rash to speak about a lack of will-power.

**President.** — I call Question No 57, by Mr Hutton (H-707/80):

Will the Council now implement the agreement reached at the Paris Summit in 1974 that it is necessary to renounce the practice of making agreement on all questions conditional on the unanimous consent of the Member States, while retaining a right of veto, as was originally foreseen, only for substantial questions of vital national interest?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The Council can assure the honourable Member that all Council decisions are taken in accordance with the provisions of the Treaties.

**Mr Hutton.** — Has the President-in-Office noted the views of President Giscard d'Estaing which he expressed after the European Council in Maastricht, that a move away from the Luxembourg compromise was now necessary, and will the President-in-Office say when the Dutch presidency will come forward with some proposals to bring this about?

**Mr Van der Mei.** — (NL) I would remind the honourable Member of the report of the Three Wise Men, which discusses this question. After studying the proposals in the report of the Three Wise Men, the Council's view is that there is no reason to establish new principles for the method of voting. I think, Mr President, that that is an authoritative answer.

**Mr Israel.** — (FR) Under those circumstances, Mr President-in-Office, do you intend to take any steps to

## Israel

ensure better application of the report of the Three Wise Men? The fact is that this report is not based on the concept of a return to unanimous voting. It speaks of majority voting. Does the Dutch presidency intend to initiate moves to promote the Three Wise Men's proposals?

**Mr Van der Mei.** — (NL) The Council's reaction to the report of the Three Wise Men is not something dating back to the remote past, but was established fairly recently. I think it would be realistic to accept this reaction for the time being as an established fact.

**Mr Patterson.** — Listening to the President-in-Office's answers, I take it that he is accepting a shift towards a greater use of majority voting, and that is very welcome.

In this case, how many of the unimplemented proposals — the dossiers which are on his table — anticipating the answer to the next question, I believe it to be about 200 — does he consider can now be got through under the Dutch presidency using majority voting?

**Mr Van der Mei.** — (NL) I should have liked to be able to give an answer in the form of a figure. Unfortunately, I am not in a position to do so, and I must therefore disappoint the honourable Member.

**President.** — I call Question No 58, by Mr Marshall (H-738/80):

Can the Council indicate the number of Commission proposals on which it still has to make a decision? How many of these items have been pending for over two years?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The Commission regularly draws up a list of its proposals outstanding before the Council. The Council acknowledges, as it did in its reply in February 1979 to a Question by Lord Bruce of Donington, that in some cases a considerable period may elapse between submission of the Commission proposal and the Opinion of the European Parliament. In the case of some of these proposals, work is continuing in the Council. However, the complex and technical nature of these proposals means that work is not yet completed. I would, however, draw the honourable Member's attention to the trend, which has been becoming evident for some time, towards a balance between the number of proposals submitted by the Commission each year and the number of decisions taken by the Council. For example, during 1976, 1977, 1978, 1979 and 1980, i.e. over a five-year period, the Council adopted 2974 regulations, directives and decisions on the basis of proposals submitted to it and

received 3114 proposals from the Commission. In view of these figures and the fact that the Commission regularly withdraws some of its proposals, it seems to me that the number of proposals outstanding before the Council, as mentioned by the honourable Member, is likely to fall considerably.

**Mr Marshall.** — I may have misheard the President-in-Office of the Council, but I do not actually remember hearing him answer either of the two parts to the question and perhaps he would do so.

**Mr Van der Mei.** — (NL) I think my initial reply to the honourable Member did answer his question. I pointed out that the Commission regularly draws up a list of its proposals currently outstanding before the Council. The honourable Member can find his figures there.

**President.** — I call Question No 59, by Mr Adam (H-770/80):

It has recently been stated by the Energy Department of the United Kingdom Government that the coal demand in the year 2000 is likely to fall to 155 million tonnes, which represents a downward revision from the previous figure of 170 million tonnes. This comes at a time when future demand for coal is reckoned by all the experts to be increasing. Does the Council accept that this is a realistic assessment?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The problem raised by the honourable Member has not been submitted to the Council, so that I am unfortunately unable to answer his question.

**Mr Adam.** — Can the President-in-Office tell the House if he expects the Council to agree to any measures to stimulate coal production in the Community during the present year of 1981?

**Mr Van der Mei.** — (NL) We have just been speaking about the problem of oil supplies and of the position of the Community and the developing countries. In my answer I drew attention to the need to develop alternative sources of energy, and in this context coal has a major and significant role to play. I think that close attention is being paid in the Community to plans to use more coal.

**President.** — I call Question No 60, by Mrs Pruvot (H-776/80):

The plan to instal the Community archives at the European Institute in Florence would make it possible to set up a research centre which will be very useful for historians and for the work of the European Parliament; it would also make an important contribution to the

**President**

formation of a model of European society. Can the Council confirm that the archives will be transferred to Florence next year?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The question of public access to Community archives after a certain period of time is currently being studied. The Commission undertook in 1980 to propose to the Council a suitable solution to this whole question. The Council is awaiting such submission from the Commission and is not therefore able to adopt a position at this stage on specific aspects of the file such as that referred to by the honourable Member.

**Mr Patterson.** — Can the President-in-Office confirm that if and when these archives are moved to Florence this would provide an admirable basis for a documentation centre; and secondly, would it also not provide an excellent opportunity to put the finances of the European Institute on a proper basis, by which I mean their inclusion in the Community budget?

**Mr Van der Mei.** — (NL) The honourable Member's idea strikes me as being particularly attractive. However, this idea has not yet been discussed by the Council, since it does not yet have the Commission's proposals on the matter. Once it does have them I assume that, when it comes to asking the European Parliament for its opinion, the honourable Member's idea will undoubtedly play a major role in that opinion, and that it will then be given due consideration, if necessary and if possible, in the Council's deliberations.

**President.** — I call Question No 61, by Miss Quin (H-795/80):

Will the Council make a statement about the progress made in consideration of the Commission proposal to provide income support for workers aged 55 and over leaving the shipbuilding industry — a proposal which was welcomed by the European Parliament at its December 1980 part-session?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The Council, which noted in the course of its initial exchange of views on 27 November 1980 that this proposal raised certain problems of principle, proposes to place the matter on the agenda for its meeting on 9 June 1981 following further examination by the competent bodies. It cannot therefore now prejudge the outcome of this discussion.

**Miss Quin.** — I am very glad to hear that the Council is going to consider this matter again in June, and I would like to ask the President-in-Office of the Council if he will tell his colleagues, in particular those governments who were unhappy about the proposal in

the first place, that a continued failure to act and to implement the Commission proposal will cause widespread disillusionment and cruelly disappoint the hopes of many workers in the shipbuilding industry who would hope to benefit from this proposal.

**Mr Van der Mei.** — (NL) Mr President, the point raised by the honourable Member is naturally of great importance, and I am sure that it can and must play a major role in the deliberations of the Ministers of Social Affairs when they come to discuss this matter.

**Mr Van Minnen.** — (NL) The speed with which this matter is being handled bears no relation to the rate at which workers — and not just those of 55 or over — are being laid off by the shipbuilding industry. Now that the latest statistics show just how serious the employment situation in shipbuilding is, and that shipbuilding production in the Netherlands was 56% down last year — with all the consequences this has for jobs — my question is whether it is not all the more urgent to work out a socially responsible manpower reduction policy for this sector as soon as possible and with particular reference to older workers.

**Mr Van der Mei.** — (NL) I appreciate Mr Van Minnen's concern, but he will be aware that this is not the only sector facing this problem. As regards the urgency of the question, I already said in my initial reply that the Council of Ministers of Social Affairs will be discussing this matter on 9 June.

**Mr Caborn.** — The situation in the industry is extremely grave, and whilst the President-in-Office refers to other industries, I would suggest that the shipbuilding industry is in fact in severe recession. When one considers the latest OECD figures for 1980, we see that the Japanese have achieved a 30% increase in their ship completions and now have . . .

*(The President urged the speaker to put his question)*

. . . percent of the market. Therefore the urgency has increased in the last 12 months. Could the President-in-Office indicate that pressure will be placed on those Member States which were not prepared to accept the agreement last year?

**Mr Van der Mei.** — (NL) The honourable Member made a distinction between industries which are in severe recession, industries in less severe recession and industries in the severest recession, and he included shipbuilding in the last category. However, I would point out to the honourable Member that it is not only the shipbuilding industry which is affected. No matter how urgent the problem may be, we must therefore consider it in a somewhat broader context.

**President.** — I call Question No 62, by Mr Lomas (H-828/80):

In view of the report of the European Parliament on Chile, which urged Member States to suspend economic and military aid, has the Council any comment to make on the recent statements made by the United Kingdom Government that they hope for improved trade and economic relations with Chile and that they have reduced tariffs, lifted credit cover, lifted some embargoes and re-established diplomatic relations with the fascist junta of General Pinochet?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) It is not for the Council to comment on any statements made by authorities in the Member States.

**Mr Lomas.** — I must say I find that quite an incredible reply. The Council seems to spend most of its time commenting on what happens and does not happen in the Member States. I wonder whether the President-in-Office is aware that there is not only a close affinity between the policies of the governments of Chile and the UK in that they both carry out monetarist policies. They both cut social spending. They both create mass unemployment. They both attack the living standards of working people.

*(The President urged the speaker to put his question)*

But the Government of the UK is actively supporting fascism in Chile in the way which I have outlined in my question. And the simple question I put to the President-in-Office of the Council is: is he really saying that he is not prepared to make any comment whatsoever in view of Parliament's decision, taken a few months ago, to suspend economic and military aid to Chile?

**Mr Van der Mei.** — (NL) The honourable Member opened by saying that he found my reply incredible. In that case, I for my part must say that I found the honourable Member's remarks incredible. I said — and I will repeat it — that it was not for the Council to comment on any statements made by authorities in the Member States. And now the honourable Member goes even further and asks whether there is not a close affinity between the economic policies of the United Kingdom and the economic policies of Chile. I can only repeat, Mr President, that it is not for the Council to comment on such matters.

**President.** — I call Mr Patterson on a point of order.

**Mr Patterson.** — What the President-in-Office of the Council says is quite clear also for this Parliament. That last supplementary question contained assertions or opinions, and you should not have allowed it under Annex 2 of our Rules of Procedure. I am not sure you

should even have allowed the original question, Mr President. If this is the sort of thing that Question Time is coming to, I am not surprised the President-in-Office of the Council finds difficulty in replying. We must abide by our own Rules and not have inadmissible questions.

**President.** — We do our best, but it is sometimes difficult even with Anglo-Saxon Members to run Question Time reasonably.

*(Laughter)*

**Mr Van Minnen.** — (NL) I am absolutely astonished, because this concerns Community policy, and that certainly is something for the Council. In view of the United Kingdom's present stance and the stance adopted by the European Parliament in the past, and in view of the fact that the contributions paid back to the United Kingdom are apparently being passed on to Chile, does the Council not think that any further economic and financial aid to Great Britain must be stopped?

**Mr Van der Mei.** — (NL) I think the honourable Member knows full well what my answer will be. This question has not been discussed by the Council, and it will not be discussed by the Council, since it is quite simply not for the Council to answer such questions.

**Mr Marshall.** — Would the President-in-Office of the Council not agree that it is somewhat ironic that Mr Lomas, who is allegedly a defender of British national sovereignty when he is in the United Kingdom, should ask for the Council to intervene in a British internal matter; and would the President-in-Office of the Council not agree that the way to guarantee the mass unemployment which Mr Lomas allegedly dislikes is to have a trade boycott of every régime in the world of which he disapproves, which I suspect means something like 90% of the world.

*(Loud laughter)*

**Mr Van der Mei.** — (NL) Mr President, I think the honourable Member appreciates that I cannot give my views on the motives for questions.

**Mr Habsburg.** — (DE) Does the Council not think that, in the present serious economic situation, it is the duty of *all* European governments and of the Community to protect the interests of their own peoples, instead of taking ideologically-inspired measures against countries which do not threaten us — measures which only endanger our economies and our jobs?

**Mr Van der Mei.** — (NL) The governments of the Member States of the Community felt that they could best serve the social and economic interests of their peoples by joining the European Economic Community.

**Mr Israel.** — (FR) Since I am slightly bemused by this debate, may I put a question which may appear superfluous. Is the President-in-Office trying to say that the question is misdirected because it has been put to the Council, whereas it ought to have been put to the foreign ministers meeting in political cooperation? I cannot for one minute doubt that relations with Chile are not part of political cooperation.

**Mr Van der Mei.** — (NL) The difficulty here is that the honourable Member is well aware that the point at stake has been raised not in the framework of European Political Cooperation but in the framework of the Member States' cooperation within the European Economic Community on the basis of the Treaties.

**President.** — Since the author is absent, Question No 63 will be answered in writing.<sup>1</sup>

I call Question No 64, by Mr de Ferranti (H-843/80):

Is it correct that no less than 20 directives affecting billions of units of account of intra-Community trade are held up because some Member States believe that a Community type approval test would restrict imports from third countries, whereas other Member States believe that it would make importing too easy, and is it not true that the lack of a decision is depriving the Community of an important reduction of internal barriers affecting billions of units of account of trade and of a powerful negotiating position in relation to imports from and exports to third countries? .

**Mr Van der Mei, President-in-Office of the Council.** — (NL) Mr de Ferranti's question relates to the full implementation of the internal market, thereby touching upon a serious problem which is of major importance. There are at present 18 proposals for a directive in existence — and there may soon be more — relating to the abolition of technical barriers to trade in industrial products, the adoption of which is still being blocked. Some Member States take the view that the Community certification system should not be made available without genuine reciprocity for products from third countries. Others consider that there is no need to impose other decisions than the Council Decision of 15 January 1980 laying down provisions on the introduction and implementation of technical standards and regulations. This decision was taken to ensure that the agreements relating to technical barriers to trade, concluded within the context of the

GATT multilateral negotiations, are applied at Community level. This situation undoubtedly has its effects on the elimination of technical barriers to trade and at an external level.

**Mr de Ferranti.** — I cannot possibly emphasize enough how anxious people are to learn from the Council what real progress is going to be made. So, could I ask the minister to consider again his reply to the question and to give us assurance this afternoon that he will no longer be caught up in the mumbo-jumbo of bureaucratic jargon that he has just given to us and that he will, instead, put some real pressure into making progress in forming a common market which is what we all need to raise the living standards of the people and to reduce unemployment?

**Mr Van der Mei.** — (NL) I think Mr de Ferranti was somewhat annoyed by what he felt obliged to describe as bureaucratic jargon. Let me put it this way. I believe what I said describes the situation as it is at present. However, I went further. Before giving my reply I said that this was rightly considered to be a serious problem and one which is of major importance for the proper functioning of the internal market. From these remarks, I think the honourable Member will realize that my efforts to find a solution to these problems are to be taken seriously.

**Mr Simpson.** — Will the President-in-Office of the Council urge the Members of the Council to give full weight and effect to the decision of the European Court of Justice, known as the 'Cassis de Dijon case', and will they both, in keeping with the spirit and letter of the law, admit as freely as possible all goods into their Member States which are lawfully in circulation in other Member States, without putting up or creating any artificial barriers?

**Mr Van der Mei.** — (NL) Implementing the decisions of the Court is of course an extremely important matter, since we place great store by the Court of Justice and its role in the Community. However, I think this is more a task for the Commission than for the Council.

**President.** — Since the author is absent, Question No 65 will be answered in writing.<sup>1</sup>

I call Question No 66, by Mr Turcat (H-7/81):

The question of the USSR-EEC gas pipeline has recently been raised on several occasions.

<sup>1</sup> See Annex.

<sup>1</sup> See Annex.

**President**

Can the Council state plainly whether it considers that the supply of Member States with Soviet gas on a very large scale leaves no opening whatever for political pressure by the USSR, and whether Community financial instruments can be used for this project?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) As far as the first part of the question is concerned, the Council has not had occasion to discuss this matter.

Concerning the second part, it should be recalled that the decision to apply Community financial instruments is taken on the basis of definite projects and in accordance with the procedures laid down by the provisions in force. In particular, where the new financial instrument is involved, the eligibility of a project — i.e. its conformity with the general criteria laid down by the Council in the primary legislation — is decided by the Commission, and the decision regarding the grant of the loan is taken by the EIB in accordance with its usual rules.

**Mr Israel.** — (FR) How is it possible, Mr President-in-Office, that the Council has not discussed the question of the political advisability of a project of this size with the USSR? I would also like to ask whether these talks will one day be restarted, and could you tell me what loans may be granted to the USSR at reduced interest rates to complete this project?

**Mr Van der Mei.** — (NL) As I said in my initial reply, this question has not been discussed within the Council. I therefore cannot reply on behalf of the Council to the honourable Member's question.

**Mr Galland.** — (FR) In view of this, do you think the matter is important enough to be discussed at a forthcoming European Council?

**Mr Van der Mei.** — (NL) Although I do not wish to play down the importance of the matter, I nevertheless doubt whether it should be put on the agenda for the next meeting of the Council.

**President.** — I call Question No 67, by Mr Dalziel (H-10/81):

When does the Council intend to introduce measures, whether in the context of the draft insurance services directive currently being considered by it, or otherwise, to ensure that third party insurance for motor vehicles may be provided by an insurer established in the Community but not established in the country in which the vehicle is normally based?

**Mr Van der Mei, President-in-Office of the Council.** — (NL) The Council's subordinate bodies have reached

an advanced stage in their examination of the proposal for a Directive containing measures to facilitate freedom to provide insurance services within the Community. The question of whether to include third party insurance for motor vehicles in the scope of this Directive is currently under discussion. If the Council were to decide to exclude this type of insurance from the scope of the Directive on the provision of services for purely technical reasons, it is likely that the Commission would submit a proposal for a specific Directive in the very near future.

**Mr Dalziel.** — Could I ask the President-in-Office to urge both his colleagues in the Council and the Commission not to exclude this particular possibility. Does he agree that the introduction of third party insurance to coincide with the introduction of the European passport would be one of the greatest steps forward to creating a common identity throughout Europe?

**Mr Van der Mei.** — (NL) I think I said that this is in fact an important matter. There is no difference of opinion on that. I think I also said that there are a number of difficulties of a more technical nature. Moreover, as I said in my reply, this directive is likely to be adopted in the not too distant future. I agree with the honourable Member as to the importance of this matter.

**President.** — We turn now to questions to the Foreign Ministers. At the author's request, Question No 81 will be answered in writing.<sup>1</sup>

I call Question No 82, by Mr Welsh (H-832/80):

What is the combined number employed in, and the approximate combined annual cost of running the embassies of the Member States in the other Member States?

**Mr Van der Mei, President-in-Office of the Foreign Ministers.** — (NL) I am afraid I have to reply that the Presidency is not in a position to answer the honourable Member's question. This question has not been looked into either by the Foreign Ministers meeting in political cooperation or by the Council.

**Mr Welsh.** — With great respect to the President-in-Office of the Council, does he not think if political cooperation is to mean anything at all, this is just the sort of minor housekeeping matter that the Foreign Ministers should be discussing, because it would greatly reduce the costs to Member States and their representation and indeed would enhance the togeth-

<sup>1</sup> See Annex.

## Welsh

erness of the Community if there could be some mergers of representation? So can he on behalf of the Netherlands Presidency undertake that he will raise this at the very next meeting of the Foreign Ministers meeting in political cooperation?

**Mr Van der Mei.** — (NL) In his supplementary the honourable Member says that European political cooperation must mean something. I think there is no difference of opinion on that point, and I agree fully with the honourable Member. However, does it logically follow, in that case, that this question has to be discussed by the Foreign Ministers meeting in political cooperation? The connection escapes me, Mr President.

**President.** — I call Question No 83, by Mrs Hammerich (H-14/81):

What information can the foreign ministers give on the cooperation that has taken place between the US Department of Defense, the European Community and NATO? In a letter dated 14 May 1979 the US Secretary of Defense stated that such cooperation had taken place. (This letter was reported in the periodical Sigplan Notices, Volume 14, No 6, June 1979).

**Mr Van der Mei, President-in-Office of the Foreign Ministers.** — (NL) On the basis of a magazine article, Mrs Hammerich asks about cooperation between the US Department of Defense, the European Economic Community and the NATO countries.

The subject raised by the honourable Member has never been discussed under European political cooperation, and the Presidency cannot therefore answer the question.

**Mrs Hammerich.** — (DA) Does that mean that the foreign ministers meeting in political cooperation do not know what the Commission is up to when, for instance, it enters into negotiations with the US Department of Defense on the development of a military EDP language for use in NATO? Do the Foreign Ministers not know what the Commission is up to?

**Mr Van der Mei.** — (NL) I can only repeat what I just said. This matter has never been discussed in European political cooperation.

**President.** — Since the author is absent, Question No 84 will be answered in writing.<sup>1</sup>

I call Question No 85, by Mrs Lizin (H-38/81):

Have the ministers agreed to make and have they made representations on behalf of the Chilean trade unionists Mrs Miriam Ortega Araxa, Mr Victor Ortega Araxa, Mrs Carmen Escobar Gonzales, Mr Carlos Garcia

Herrera and Mr Rodolfo Rodriguez Moraga called for in the resolution adopted by Parliament in March?

**Mr Van der Mei, President-in-Office of the Foreign Ministers.** — (NL) The honourable Member will undoubtedly meantime have learnt that the five Chilean trade unionists have not been condemned to death. They are suspected of having made an attempt on the life of the commander of the Chilean security service, and preparations are being made for their trial.

**Mrs Lizin.** — (FR) I would ask the President-in-Office of the Foreign Ministers to excuse the formulation of my question, which is no longer quite up to date, but this massive administrative machinery prevented my changing it in time. May I ask whether the situation in Chile has been discussed recently under political cooperation. Have you taken stock of the situation in that country since Pinochet imposed his constitution on it?

**Mr Van der Mei.** — (NL) European political cooperation frequently deals with subjects which are of great topical importance for Latin America. At particular times, therefore, the situation and developments in Chile are naturally also discussed.

**Mr Welsh.** — In view of that answer, Mr President, could the President-in-Office go on to answer the question because since Chile was discussed in the Council, could he now tell us what was said?

(Laughter)

**Mr Van der Mei.** — (NL) Chile has not been discussed in the Council.

**Mr Schwencke.** — (DE) Do the Foreign Ministers consider the situation in Chile to be so normal that it is no longer discussed at their meetings?

**Mr Van der Mei.** — (NL) It is probably my fault, but I tried to make it clear in one of my previous replies that the situation in Latin America is discussed at particular times under European political cooperation. I went even further and said that the situation in Chile was sometimes discussed under European political cooperation.

**President.** — I call Question No 87, by Mr Hutton (H-45/81):

Have the Foreign Ministers discussed the closure of the Times of Malta and the arrest of the deputy leader of the opposition?

<sup>1</sup> See Annex.

**Mr Van der Mei, President-in-Office of the Foreign Ministers.** — (NL) Mr Hutton will undoubtedly meantime have learnt that the Times of Malta has not been closed down and that the opposition leaders have not been arrested.

**President.** — I call Question No 88, by Mr Israel (H-57/81):

Can the Ministers say whether or not the assertion that in the view of the Ten the organization known as the 'Palestine Liberation Organization' must, whatever the circumstances, be unconditionally involved in the peace negotiations is consistent with the Declaration of Venice (June 1980)?

**Mr Van der Mei, President-in-Office of the Foreign Ministers.** — (NL) Mr President, the honourable Member's question relates to the European peace initiative in the Middle East. In reply, I would point out that point 7 of the Declaration of Venice of 13 June 1980 states the following: 'The achievement of these objectives requires the involvement and support of all the parties concerned in the peace settlement which the Nine are endeavouring to promote in keeping with the principles formulated in the declaration referred to above. These principles apply to all the parties concerned, and thus the Palestinian people, and to the PLO, which will have to be associated with the negotiations.' The formulations 'whatever the circumstances' and 'unconditionally' contained in the question touch upon procedural considerations, namely the question of how we are to arrive at peace negotiations. The Ten feel that, since they are currently establishing contacts with the parties involved in an attempt to create a better climate for negotiations, it is not advisable to express an opinion on this subject at the moment.

**Mr Israel.** — (FR) Do the principles established in Venice not include the concept that all countries in the region are entitled to political recognition and to security, and in that case have you impressed sufficiently upon your negotiating partner from the PLO that, to be involved in the negotiations, it is necessary to recognize the principle of the political independence of each country in the region?

**Mr Van der Mei.** — (NL) The honourable Member is aware that we are currently involved in talks with all parties in the Middle East. At the end of my initial reply I also pointed out that it was not advisable, for the moment, to go into this matter too deeply, and I think the honourable Member will appreciate this. Furthermore, I think he should read the Declaration of Venice carefully again, where he will find the precise answer to his first question.

**Mr Marshall.** — Would the President-in-Office of the Council not agree that it is absolute nonsense to expect Israel to welcome a peace in the Middle East to which the PLO is linked when the PLO is committed to the extermination of Israel? Is the President-in-Office of the Council not aware that the PLO is currently waging war on Israel from bases within Lebanon with the connivance of the United Nations Organization?

**Mr Van der Mei.** — (NL) The honourable Member is making a value judgment, and I would draw his attention to what I consider to be the extremely balanced declaration made in Venice on 13 June 1980. I think he will find there all the information he needs to provide a reasonable answer to his question.

**Mr Galland.** — (FR) To be honest, I do not think my predecessor, Mr Marshall, was making a value judgment. You have only to read Articles 19 and 22 of the Charter of the PLO to see that it is not a value judgment but a fact. Do you not think, as has been repeatedly stated by Parliament, that there would be a greater chance of success if, before the PLO became associated in any negotiations, it was made a condition that it should abrogate Articles 19 and 22 of its Charter?

**Mr Van der Mei.** — (NL) The honourable Member is going into this subject more deeply than I consider at the moment opportune, desirable or wise. I therefore stand by what I already said — look at the Declaration of Venice and you will find a balanced presentation of the elements involved.

**Mr Welsh.** — Could we ask the Foreign Ministers meeting in Political Cooperation whether they envisage any lasting settlement in the Middle East to which the PLO in some form or other is not a party?

**Mr Van der Mei.** — (NL) I think the honourable Member is looking too far ahead to the results of the ten Member States' current talks with all the interested parties.

**Mr Prag.** — Is the President-in-Office not aware that there could be no possibility of peace in the Middle East without a clear and genuine expression of a desire for peace from any conceivable party to the negotiations and from anyone who in the terms of the Venice communiqué would be associated with any negotiations and are the ministers not also aware that any trace of a recognition of the PLO as the sole representative of the Palestinian people would be the surest means of torpedoing any European attempt at mediation?

**Mr Van der Mei.** — (NL) The honourable Member will be aware that the aim of the Ten's talks with all the involved parties is to contribute, if possible, to the achievement of peace in the Middle East.

**Mr Hord.** — I wonder whether the President-in-Office of the Council would agree that in view of the fact that the Venice Declaration has served to upset one of the principal parties would it not be better for the Camp David initiative to be allowed to proceed without the EEC itself being involved?

**Mr Van der Mei.** — (NL) As I already said in my reply to the previous question, the aim of the Ten is to contribute to the achievement of peace in the Middle East.

**Mrs Fourcade.** — (FR) If I understand your replies correctly, the EEC has asked the PLO to recognize Israel as a condition for its participation in the negotiations. Is that right?

**Mr Van der Mei.** — (NL) I am talking about European political cooperation and not the EEC. Secondly, talks are being held with all the parties involved in an effort to contribute to what I have already mentioned three times — the achievement of peace in the Middle East.

**Mr Schwencke.** — (DE) Since the President-in-Office has repeatedly referred to the Declaration of Venice and advised us to read it again, I should like to ask him whether he and his colleagues are continuing to take the Camp David agreement into account when they make new statements or new moves.

**Mr Van der Mei.** — (NL) If the honourable Member would take the trouble of carefully rereading the

Declaration of Venice, he would see that it does not conflict with the Camp David agreements.

**Mrs Lizin.** — (FR) To wind up this debate, I should like to ask the President-in-Office whether he thinks that the kind of answers he has been giving us for the last quarter of an hour represents the contribution of the Dutch presidency to promoting 'conciliation' between the European Parliament and European political cooperation.

(Laughter)

**Mr Van der Mei.** — (NL) This is a familiar question and one which I think is put to every presidency — sometimes in one way, sometimes in the other. It is a subject which is dealt with in a letter from Mr Thorn dated, I think, May 1976 and containing all the points which can be raised in contacts between the European Parliament and whoever has the honour to be President-in-Office of European Political Cooperation. All these points have to be borne in mind, and I am fully aware, Mr President, that it is frequently somewhat discouraging for some Members to have to listen to these answers. On the other hand, if the honourable Member reads that letter again carefully, she will undoubtedly appreciate that the person answering these questions can give no other answer than the one he does.

**President.** — Question Time is closed.<sup>1</sup>

The sitting is closed.<sup>2</sup>

(The sitting was closed at 7 p.m.)

<sup>1</sup> See Annex.

<sup>2</sup> Urgent debate — Agenda for next sitting: see Minutes of proceedings.

## ANNEX

*Questions which could not be answered during  
Question Time, with written answers*

## I. QUESTIONS TO THE COMMISSION

*Question No 5, by Mr Langes (H-1/81, formerly 0-66/80)*

Subject: Bureaucratic restrictions on small and medium-sized undertakings exporting goods and services

The object of the European Community is to remove barriers between the individual countries of the Community.

This is the goal we have been working towards since the Community's inception.

However, anyone who looks into this question carefully will be surprised to find how high the barriers between the individual Community countries still are. There is a mass of bureaucratic restrictions which particularly affect exports of goods or services by handicraft businesses, i.e. small and medium-sized undertakings.

I should like to illustrate this point with an example involving Luxembourg and Germany:

In the annex to my question I have given a broad outline of the bureaucratic formalities still required to obtain a work permit for a handicraft business, where it is also necessary to arrange for the provisional export of the tools of the trade.

1. Does the Commission take the view that these bureaucratic restrictions are self-evident and necessary?
2. What approaches will the Commission make to the governments concerned to remove these bureaucratic restrictions?
3. What support does the Commission require from the European Parliament to put a stop to this nonsense?

*Answer*

1 The Commission shares the honourable Member's annoyance at the many barriers to trade which still exist in the internal market. It is obvious that firms in the border regions are particularly affected by such barriers. That such barriers still exist about a quarter of a century after the Treaty of Rome was signed is for all of us a disgrace to the Community.

This means that small and medium-sized undertakings are indeed particularly handicapped since, unlike large undertakings, they do not have full-scale export departments. It is therefore more difficult for them to do the administrative work required to overcome the barriers to trade.

2 The overall state of progress with regard to the Common Market should not, however, obscure the fact that the Commission has managed, by persistence and tenacity, to remove a large number of barriers, particularly with regard to technical and health standards.

At the same time the implementation of programmes to simplify customs formalities has also brought about some easing of restrictions in cross-border trade within the Communities' borders.

Also with regard to the right of establishment and the freedom to provide services, it should not be forgotten that the 1964 and 1968 Directives on industry, the craft industry and commerce have established almost without exception freedom of movement for all business and professional people.

In the annex to his question, the honourable Member has listed a number of bureaucratic formalities which must be observed when a Community citizen wants

- to obtain a work permit
- to set up in a craft trade.

and many other things for which freedom of movement is of interest. I should like here to confine myself to a few general statements with regard to the general questions which figure at the end of the honourable Member's question.

Owing to the large number of technical aspects referred to, it would seem advisable to have this part of the question answered in writing.

With regard to the honourable Member's general questions, I should like to point out that the Commission employs firm measures to deal with any restrictions of the freedom of movement by bureaucratic regulations. I am convinced that in cases where infringements of the Treaties are noted in this area, it is the most natural thing in the world to open disciplinary proceedings and, if necessary, to refer the case to the European Court of Justice. I am determined to pursue this course vigorously.

With regard to the question as to how existing bureaucratic restrictions can be removed, there is nothing more we can do — as mentioned above — than to pursue the painstaking course of harmonization.

3. In this way — and here I refer to the honourable Member's third question, the Commission counts on the active support of the European Parliament. To this end I am prepared, subject to the written statement which I shall soon be forwarding on the detailed aspects referred to by the honourable Member, to enter into a more detailed exchange of views.

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*Question No 8, by Mrs Le Roux (H-841/80, formerly O-81/80)*

Subject: Fixing of fish quotas

According to information concerning the proposals submitted by the Commission to the Council on fish quotas, the French quota has been reduced in recent weeks, falling to a figure of 12% on 21 January 1981, while those of the Federal Republic of Germany and the United Kingdom have been substantially increased — by 2%.

The Commission has also announced that it intends to review these figures and that in the case of France it feels the quota should be reduced still further. Does the Commission intend to proceed further on those lines?

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*Question No 38, by Mr Kirk (H-19/81)*

Subject: Catch quota for fisheries in 1981

Do the proposals for catch quotas for fisheries in 1981 made by the Commission on 23 October 1980 still stand as the Commission's proposals?

*Joint answer*

The information of the honourable Members of Parliament does not correspond to the proposals made by the Commission. In actual fact, in its draft Resolution on 1981 quotas, submitted to the Council on 9 February 1981, the Commission has, for the seven main species (cod, haddock, saithe, whiting, plaice, redfish and mackerel) proposed for France 13.6% of the total share available to the Community for these species.

The information to which the honourable Members refer probably derives from the statistics contained in the working document of the Commission services concerning the allocation of quotas for 1981. This document, as modified at different times, constitutes a purely arithmetical approach to the combined application of certain criteria taken into account by the Council in its declaration of 30 May 1980 on the common fisheries policy; as the Commission has emphasized, this document

cannot be regarded as representing the final position for the allocation of quotas but only as an objective basis from which to start to take into consideration the other factors which it is agreed to build into the process of distributing the resources. It is in this sense and in the light of all the recent modifications made to this working document in order to take account of the results of negotiations with third countries as well as the decisions of the Council in respect to the TAC for West Greenland shrimp, that the Commission will formulate at the appropriate time its formal proposals for 1981 quotas.

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*Question No 34, by Mr Hume (H-12/81)*

Subject: Price controls applied by the US Government

Will the Commission report on the discussions it has had with the Government of the United States about the continuing price controls being maintained by that Government in respect of gas, and the repercussions of these price controls upon the textile industry in Europe?

*Answer*

1. The Commission is fully aware of the problems created in particular regions of the Community by the relatively sharp rise in imports of certain goods from the United States. It is keeping a close watch on developments in the various sectors. It has taken every opportunity to discuss these matters with the American authorities. In particular, it contacted the new American administration immediately after it took office and entered into detailed discussions.
2. The sharp rise in imports in the textiles and clothing sector seems to have peaked by the first half of 1980. The Commission drew the attention of the American authorities to the harmful effects in particular regions of the Community. The latter agreed to bring these problems to the attention of the American textile industry.
3. Major progress has been made on two points relating to petrochemicals as a result of recent intensive discussions between the Community and the American authorities:
  - the removal of oil price controls as a result of which the American price now reflects world market levels;
  - the removal of existing restrictions on exports of paraffin and naphtha.
4. The Commission hopes that the American Government will put into practice in the very near future its plans to remove price controls on natural gas thus abolishing existing distortions of competition.

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*Question No 15, by Mr Blaney (H-810/80)*

Subject: Meat factories

Given that the derogation granted to meat factories in the six counties of Northern Ireland as regards the basic index for calculating variable premiums has led to distortions, is the Commission prepared to take urgent steps to ensure application of a uniform system for the calculation of premiums, in particular for Great Britain, Ireland and the six counties?

*Answer*

The Commission is satisfied that, up to now, the regulations concerning beef premiums have been correctly applied in Northern Ireland. For the future we shall ensure that the system is operated on an equitable basis.

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*Question No 18, by Mr Schinzel (H-838/80)*

Subject: Steel quotas

Is it true that steel quotas allocated to the United Kingdom amounting to 300 000 tonnes are not being used?

*Answer*

It is the case that a considerable quantity of the production quotas accorded to British steel companies for the fourth quarter of 1980 was not used because of the relatively very low level of steel demand in the United Kingdom.

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*Question No 22, by Mr van Aerssen (H-845/80)*

Subject: Trade disputes under GATT

In view of the fact that the GATT is currently faced with a record number of disputes between the world's largest trading nations, can the Commission state how many of the cases being dealt with by the GATT committees are directed against the Community, and whether there is any prospect of solutions to forestall the danger of 'trade wars'?

*Answer*

There are at present only two cases pending which are directed against the European Community under the GATT general conciliation procedure. The Commission does not consider that there is any risk of a trade war as a result of these two cases.

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*Question No 23, by Mr Fergusson (H-846/80)*

Subject: Anti-dumping procedures

Does the Commission consider that a proper yardstick for initiating an anti-dumping investigation in respect of a given product could in any circumstances be a comparable product from a single non-EEC manufacturer whose production is incapable of significant extensions, would not be profitable in isolation from other products from the same plant, and is itself too small to affect significantly the world price?

*Answer*

If imports originate in a country with a market economy, the evidence of dumping necessary to initiate proceedings must be based on the supplier's normal price for the goods in question irrespective of whether the supplier is the only manufacturer of the product in question in the country of origin or whether he can increase his production capacity or influence the world market price. If sales are made at a loss, the normal price may be calculated on the basis of production costs with an appropriate mark-up for overheads and profit. If the imports are from countries which do not have market economies, evidence of dumping may be based on a comparison with prices or costs in countries with market economies.

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*Question No 24, by Mr Johnson (H-847/80)*

Subject: Deep-sea mining

Can the Commission indicate whether or not the deep sea mining bill now being discussed in the British Parliament was notified to the Commission in accordance with the Environment Information Agreement of March 1973, and also indicate whether it now intends to prepare proposals for a Community deep-sea mining regime on a temporary basis while waiting for the conclusions of the United Nations Law of the Sea Conference?

*Answer*

The honourable Member's question concerns an area of vital importance to the industrialized countries as a whole and the European Community in particular.

The future exploitation of natural resources located on and under the seabed is of vital importance to the Community, which has few raw materials of its own; this is particularly true in the case of manganese and cobalt.

One of my first priorities therefore is to ensure that the Commission is more closely involved in the United Nations' negotiations on the law of the sea. These will be decisive to the future of our continent and the social and economic well-being of our great-grandchildren.

One important aspect of this problem is environmental protection. Resources in and under the oceans are far too important for *future* access to be jeopardized by irresponsibly dumping dangerous substances *now*. The Commission regrets, therefore, that it has not been informed of the UK deep-sea mining Bill referred to in the honourable Member's question. It will ask the UK authorities for information on this Bill pursuant to the information agreement of 5 March 1973.

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*Question No 25, by Mr Cecovini (H-848/80)*

Subject: Use of computers in marine navigation

There have been reports in the media that the Community is providing finance for computers which, when used in marine navigation, allow substantial savings to be made of both time and energy. Does not the Commission feel that, in order to reduce transport costs, consideration should be given as a matter of priority to such projects as the 'Adriatic Seaway', which would make land/sea communications between Munich, Greece and the Middle East shorter by 5 days than alternative routes?

*Answer*

1. It is true to say that the time expended in the transportation of goods via the 'via adriatica' is shorter than by any other route.

However the choice by shipowners between the Adriatic and other routes depends on a variety of considerations, including in particular, the preferences of their customers, in addition to voyage time and energy consumption factors.

2. The major objective of the shipping concerns Association EASI<sup>1</sup> is the application of new computer techniques to increasing the efficiency of utilization of a fleet.

The work, which is carried out entirely by shipping concerns participating in EASI assisted by specialist consultants in telematics is part-financed by the Commission of the EC under its quadriennial plan for financial support to the data-processing industry.

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*Question No 26, by Mr Cottrell (H-2/81)*

Subject: Severn estuary port zone

The port of Bristol shares the Severn estuary with a number of ports in South Wales which have received and continue to receive assistance from the Regional Fund. All the ports are equal in competitive status except that Bristol is disadvantaged by lack of United Kingdom Assisted Area status, thus denying the port of Bristol access to the Regional Fund. A certain competitive advantage thus moves to ports in South Wales, which is unfair in effect and represents a distortion of competition. The ratepayers of Bristol have made an enormous investment in new port facilities and would reasonably expect equal treatment with South Wales ports where Commission resources are concerned.

Will the Commission therefore recommend to the British Government that for the purposes of Regional Fund investment, a 'Severn Estuary Zone' should be declared under which all ports sharing the estuary will enjoy access to the Regional Fund? In the case of Bristol, such a declaration should apply to the port zone only.

*Answer*

The Commission reminds the Honourable Parliamentarian that, according to Art. 3 of the European Regional Development Fund Regulation, 'regions and areas which may benefit from the Fund shall be limited to those aided areas established by Member States in applying their systems of regional aids and in which State aids are granted which qualify for Fund assistance'. Therefore, it is not up to the Commission to recommend to Member States the regions or areas to be designated for financial assistance from the Fund.

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*Question No 28, by Mr Møller (H-4/81)*

Subject: Mutual recognition of test standards

Can the Commission state what efforts have been made to ensure uniform and mutually recognized test standards, provisions on testing, for example in respect of water and sewage, and consequently mutual recognition of the reports by nationally authorized test institutes covering all Member States of the Community?

*Answer*

In its initiatives to reduce technical barriers to trade, the Commission has so far based its proposals on the principle of the mutual recognition of examinations and entry procedures and certificates.

<sup>1</sup> European Association for Shipping Information.

With regard to the directives on the harmonization of technical provisions, the realization of this principle of mutual recognition is one of the basic preconditions for ensuring free trade within the Community.

In this connection, the Commission would draw the honourable Members attention to its answer to the written question by Mrs Schleicher, No 1859/80.

With regard to the specific area of water and sewage technology, the Commission is currently not engaged in any harmonization work.

The European Committee for Standardization is the only body which is at present carrying out such work, e.g. on the standardization of drainage appliances outside buildings, companion dimensions for sanitary equipment, and dimensions and quality of sanitary fittings.

The Commission's departments do, moreover, conduct regular discussions with senior government officials responsible for standardization and with the heads of the national standards institutes

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*Question No 29, by Mrs Macciocchi (H-5/81)*

Subject: Suspension of Community food aid to El Salvador

What is to be the Commission's final decision on food aid to El Salvador, which was suspended in February, apparently as a result of American pressure; for what reason has the Commission decided to postpone shipment of such aid, bearing in mind that food aid constitutes humanitarian assistance and hence provides an opportunity to demonstrate that political considerations can be subordinated to the urgent need to help meet the food requirements of the Salvadorian people?

*Answer*

The Commission has taken a number of decisions on aid to the people of El Salvador.

On 18 December 1980 it granted 250 000 ECU emergency aid to the UNHCR for Salvadorian refugees in Honduras, and this was followed up shortly by food aid.

On 9 February 1981 the Commission took a *decision of principle* to grant emergency aid of 400 000 ECU for the people in El Salvador itself and at the same time planned to provide food aid in the form of cereals, powdered milk and butter oil. This decision did not specify the distribution channels to be used, since the Commission did not at the time have all the necessary guarantees of the non-discriminatory and balance distribution of the aid: and it is the Commission's constant concern to check that humanitarian aid is distributed to all the victims without discrimination.

At that stage a move by the Americans cast doubt on the neutrality of the proposed distribution channels. The Commission therefore had checks carried out on the spot, and since their results were positive, the decision was taken on 17 March to allocate the proposed food aid and emergency aid to the International Committee of the Red Cross. Additional food aid is planned.

The food aid and emergency aid already adopted or envisaged for the people of El Salvador amount to 2 416 000 ECU (food aid calculated at world prices) or 4 364 000 ECU (at internal EEC prices).

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*Question No 31, by Mr Vlachopoulos (H-8/81)*

Subject: Special fund for disasters

Would the Commission state whether it will in the future establish a special fund or a special service to provide financial and technical assistance when disasters such as earthquakes, floods, avalanches,

etc., occur, so that, with special resources thus available in advance, the special Community fund and not individual Member States will bear the financial burden of such disasters?

*Answer*

The Commission has no intention of proposing that the Community should replace the national authorities in bearing the burden of aid to the victims of natural disasters.

The Commission has a budget appropriation (Chapter 59 of the Budget) to finance emergency aid to the victims of natural disasters in the Community.

In view of the budgetary limitations, in each case such aid can only represent a small percentage of the funds allocated by the national and regional authorities.

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*Question No 32, by Mr Fanton (H-9/81)*

Subject: Long-term contracts for the provision of food aid to developing countries

With which developing countries does the Commission intend to conclude these contracts, the poorest, the ACP, or Mediterranean countries?

Can the present common agricultural policy meet the entire demand for the supply of food aid; should not a common policy for the export of Community agricultural produce be put in hand straight away?

*Answer*

The Commission considers that the Community must pursue its already successful efforts in the field of agricultural exports by providing instruments similar to those enjoyed by other exporters on the world market, and in particular the possibility of concluding long-term agreements.

As regards the countries with which such agreements could be concluded, it would be premature to draw up a list at this stage, since exploratory contacts are still under way.

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*Question No 35, by Mrs Hammerich (H-13/81)*

Subject: Conversion language between ADA and other computer languages

What information can the Commission provide on the contracts worth about DKR 50 million it has concluded with various computer firms. Two of which are Danish, for a conversion language between ADA and other computer languages; and can it confirm the report in the Danish periodical 'Ingeniøren' of 20. 2. 1981, according to which 'The primary aim was to obtain a common language for the many computer systems used by the armed forces . . .?'

*Answer*

I am very grateful for this question which allows me to explain briefly the important role of the contracts for the ADA computer language within the framework of the four-year informatics programme.

The Commission has approved two contracts for the development of software for the ADA computer language under the Community four-year programme in the field of data processing. A grant of 50% up to a maximum of 3.74 million ECU will be given to a French/German consortium consisting of CH-Honeywell Bull, Alslys and Siemens. A Danish/Italian consortium will receive a 50% grant of up

to 2.66 million ECU. This consortium comprises of Olivetti, Ch. Rovsing and the Danish Datamatics Centre. System Designers Limited of the United Kingdom is an important subcontractor in the Danish/Italian project.

Both contracts received the full support of the advisory committee for the management and coordination of the four-year programme. This committee has members delegated by all Member States governments.

The decision to support developments for the ADA computer language was reached because ADA supports very closely the requirements for a European systems language identified in a previous study conducted for the Community.

It is a good language that allows the exchange of computer programmes between machines of different manufacturers. It will be of benefit to the European computer industry and to computer users alike.

ADA, which is the result of an American-sponsored international effort with an important European contribution, is a high-level general purpose computer language. Although the language was initially intended mainly for computer systems typical in military applications, the resulting language, as it is now defined after an extensive and open scientific debate, is applicable in wide areas of industry and science.

Although the international competitive development was sponsored by the US Department of Defense, it was the European-led team headed by the firm C II-Honeywell Bull with experts from many Community Member States which won the competition.

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*Question No 36, by Mr Kappos (H-15/81)*

Subject: Guarantee of voting rights for Greek emigrants in the countries of western Europe

Is the Commission aware:

- that for Greek emigrants in western Europe the right to exercise their voting rights is not guaranteed?
- that the agreements have not been signed that would allow emigrants wishing to travel to Greece to exercise their voting rights to benefit from facilities such as reduced fares and special leave from work during the elections?
- that no other steps have been taken to guarantee their right to vote?

How could the Commission help solve this pressing problem that now faces Greek emigrants?

*Answer*

At present the Commission has no power to intervene in the exercise of voting rights by Community workers living in Community countries other than their own, and wishing to accomplish their civic obligations in their home country. National legislation applies, both in the field of the right itself, and in the exercise of it.

If indigenous workers enjoy certain advantages in order to exercise the right to vote in their place of origin, such as special leave or reduced fares, the Commission considers that similar advantages should be applied to Community migrant workers who want to return to their country of origin for elections.

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*Question No 37, by Mr Dalakouras (H-16/81)*

Subject: Passport control discrimination in the United Kingdom

Is the Commission aware that, despite Greece's accession from 1 January 1981 as a full member of the European Communities, passport control officials at points of entry into the United Kingdom are continuing to treat Greek travellers in the same way as persons coming from outside the Community and that even the arrival sign 'From EEC Countries' has been replaced by another one bearing the names of the nine Member States only, excluding Greece?

What is the Commission's position with regard to this inadmissible discrimination?

*Answer*

The Commission has hitherto been unaware that Greek nationals entering the United Kingdom are treated as nationals of third countries despite their country's accession to the European Community.

The Commission was equally unaware that Greece does not yet figure on the 'Countries of the European Community' sign used in the United Kingdom.

The Commission obviously regrets this situation and will contact the United Kingdom so that this can be put right as soon as possible.

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*Question No 39, by Mrs Van den Heuvel (H-26/81)*

Subject: Upper limit per family on social security payments

Is the Commission now willing to answer the third paragraph of my written question No 1756/80<sup>1</sup> by stating whether, in its view, the setting of an upper limit per family on social security payments constitutes indirect discrimination (by reference to family status) within the meaning of the directive?

*Answer*

In confirming the reply already given to Written Question No 1756/80 I would like to add the following.

The idea of placing a ceiling on social benefits which would vary according to household income is perhaps not *in itself* contrary to Directive 79/7/EEC (on the progressive implementation of the principle of equal treatment for men and women in matters of social security). The idea does, however, risk becoming so *in fact* if by this means there is the intention of indirectly excluding the award of social benefits to women. In effect the directive forbids that any measures be taken that would result, even indirectly, in discriminatory treatment of either sex. If this idea was applied it would, therefore, be necessary to avoid such results.

On this subject I must say that the question of indirect discrimination linked to marital or family status is one of the problems which remains to be solved to implement the directive. It is for this reason that although the implementation date has been set for the end of 1984 the Commission already intends, during the coming year, to study these problems in cooperation with representatives of all the Member States with the objective of attaining a proper and coordinated application of the directive when the delay set for its implementation expires.

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*Question No 40, by Mr Fernandez (H-27/81)*

Subject: Deterioration in the position of pig producers.

<sup>1</sup> Bulletin No 57/80 of 17. 12. 1980, p. 9.

In view of the substantial fall in the prices obtained by pig producers, does the Commission plan to increase aid for storage to support the markets?

*Answer*

I am pleased to inform the honourable Member that market prices for pigmeat in the Community have improved in the first months of this year. Moreover, as regards aids for private storage, the Commission has recently introduced such measures for the French department of Cotes du Nord which has been affected by foot-and-mouth disease.

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*Question No 41, by Mrs De March (H-30/81)*

Subject: Aid for Mediterranean-type glasshouse crops

Does the Commission intend to exercise stricter control over and limit aid for Mediterranean-type crops grown in glasshouses in northern Europe and which are in direct competition with produce from the South?

*Answer*

The Commission asked the Council in 1979 to suspend the granting of aids for investment for glasshouse production under Council Directive 72/159/EEC on the modernization of agricultural holdings. This proposal was made not only in the context of our policy for Mediterranean regions, but also in recognition of the need to save energy. It has not yet been agreed to by the Council.

As to energy costs of glasshouse production the Commission does not envisage repeating the authorization which was given to Member States in 1980 to grant aids to fuel costs.

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*Question No 43, by Mr Bangemann (H-34/81)*

Subject: Marketing standards for poultry and poultrymeat

Under Article 2(2) of the regulation on the common organization of the market in poultrymeat (Council Regulation No 2777/75 of 29. 10. 1975, OJ No L 282, 1975, p. 77), the adoption of marketing standards is compulsory for dead poultry and edible offals thereof, fresh, chilled or frozen.

These standards may relate in particular to grading by quality and weight, packaging, storage, transport, presentation and marking. The adoption of marketing standards for the other products covered by the market in poultry is, however, optional.

Can the Commission say what measures it has taken to date to implement this binding order from the Community legislator; what circumstances have so far prevented the adoption of marketing standards and what efforts is the Commission prepared to make to ensure that the national barriers to trade which still exist owing to the lack of European marketing standards are removed as soon as possible?

*Answer*

The Commission submitted to the Council already in 1971 a proposal for common marketing standards for poultrymeat, but it has not yet been adopted. We deplore the slow progress of the Council in this matter.

However, the Council has accepted the need for common standards for the water content of frozen and deep-frozen poultry, and regulations were adopted in 1976. As a result, the water content of such poultry has been controlled at all stages of marketing in the Community since 1 April of this year. This measure will help to improve quality and to protect consumers.

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*Question No 44, by Mr Berkhouwer (H-39/81)*

Subject: Channel Tunnel

Does the Commission not agree that the question of a link between the United Kingdom and the continent is a matter that concerns not merely France and the United Kingdom but is in fact particularly important for the transport infrastructure of the Community as a whole and does the Commission therefore not feel that it should take steps to develop as a Community project the new initiatives for the building of a Channel Tunnel which have not been taken by the British and French authorities?

*Answer*

The Commission is somewhat surprised to see this question on the agenda of the present part-session of Parliament. In fact, the Committee on Transport has just adopted the excellent report by Mr De Keersmæker on the same subject and has examined a motion for a resolution to be put before Parliament shortly.

This work, undertaken as a result of the motion for a resolution tabled by Mr Berkhouwer himself, concerned all the aspects of this question and permitted a summing up of the means of action to be employed by the Community to give practical expression to the support of the Committee on Transport for a rail tunnel project.

The honourable Member will understand that in these circumstances he is placing the Commission in a delicate situation by asking it to anticipate in its reply the outcome of a debate which has not yet taken place.

I should like even at this stage, however, to state clearly that the Community could in no way take the place of the Member States directly concerned in taking the initiative and carrying out the construction work. The debate in Parliament on the above-mentioned resolution should concern the active but well-defined role in the development of infrastructures.

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*Question No 45, by Mr Boyes (H-41/81)*

Subject: South Africa's energy supplies

In view of the South African Government's policy of apartheid would the Commission comment on the recent statement by Mr G. W. H. Relly (deputy chairman of the Anglo-American Corporation of South Africa):

'As far as energy is concerned South Africa's supply to the EEC has already assumed considerable importance and this is likely to grow. Emphasis on coal as an energy resource is growing and South Africa now equals Poland as the major external supplier to the EEC . . .?'

*Answer*

It is true that Community imports of coal from South Africa have increased in recent years from 3.4 million tonnes in 1976 to some 19.2 million tonnes in 1980, when imports from Poland totalled 14 million tonnes.

The growth of imports is attributable to two factors:

1. the electricity generating authorities of the Member States have embarked on a major programme for converting power stations from oil to coal;
2. the price of South African steam coal is attractive because of the favourable geological conditions in that country and the existence of port facilities which makes it possible to load very large mineral carriers.

While the volume of imports from South Africa is high — 25% of total imports in 1980 — it actually represents only 6% of the Community's total gross domestic coal consumption.

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*Question No 49, by Mr Colla (H-54/81)*

Subject: Adjustment of exchange rates within the European Monetary System

A spokesman for the Frankfurt institute for economic and financial research (IFO) has stated that an adjustment of the exchange rates within the European Monetary System (EMS) is inevitable and will take place in May at the latest, involving a revaluation of the German mark and a devaluation of the French and Belgian francs.

Does the Commission agree with this view and does it feel that such measures are really necessary?

*Answer*

Independent research institutes frequently express opinions which are based on their own research and, as the case may be, on different opinions. In any case, it is not customary for the Commission to state its views publicly on statements which are only binding on their authors.

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*Question No 50, by Mr Pearce (H-56/81)*

Subject: Information regarding the ERDF

Will the Commission undertake from now on to put into the hands of Members of the European Parliament, before its release to the press, information regarding all grants from the European Regional Development Fund (ERDF) to projects and programmes in their Member States, giving, for each project and programme, the value of the grant, the total cost of the project or programme, its nature and purpose and the planned starting and completion dates?

*Answer*

The Commission after each decision concerning grants from the European Regional Development Fund, sends the lists of assisted projects to the Committee on regional policy and regional planning of the European Parliament well before embargo date for the press. Furthermore, the list concerning the United Kingdom is sent by the Commission's London office well before embargo date for the press to all British Members of the European Parliament. In addition, the list is sent to the European Parliament office in London.

Such lists include individual grants to each project of 10 m ECU or more. Global grants are mentioned for smaller projects, as these are grouped in the requests for assistance, according to Article 7.2 of the ERDF Regulation.

In the present circumstances; the Commission is not in a position to include in the lists information on total cost of projects, their purpose, and their starting and completion dates.

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*Question No 51, by Mrs Desmond (H-59/81)*

Subject: Community action in the field of adult education

What role can the Commission play in the evolution of a Community policy on adult and permanent education, and does it intend to make any proposals in the area of paid educational leave?

*Answer*

The Commission believes it essential to develop a strategy of action at Community level in the field of continuing education and training. Preparatory work in this respect is being focused on the following aspect: the need for continuing education and training at local level as a catalyst for economic and social development and the scope for expanding opportunities for educational leave particularly in the context of moves towards more flexible patterns of work, education and leisure.

The Commission is interested to build upon the work done on linked work and *training* for young people to extend this principle throughout adult life.

The Commission considers it has a role to play in achieving these aims in the first instance by promoting the exchange of experience, the dissemination of information and evaluation studies on innovative measures. The Commission envisages making proposals in this direction before the end of 1981.

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*Question No 52, by Mr Price (H-60/81)*

Subject: VAT and charitables bodies

Are the Commission willing to propose a Directive on VAT which would permit Member States to exempt charitable bodies from the payment of VAT on goods purchased by them or services supplied to them?

*Answer*

The Commission does not consider it appropriate to propose, at the present time, a directive on the lines requested by the honourable Member.

In giving this reply the Commission would underline two particular aspects of the matter. Firstly, the common value added tax system conceives the tax as designed to pursue the freedom of movement goals enshrined in the Treaty and to establish the Community's VAT-based own resources and not to serve as an instrument for pursuing other policies, such as those in the social sphere. Secondly, Community VAT legislation does not prejudice in any way the right of a Member State to grant direct financial support to charitable bodies, whether in proportion to VAT borne by them or otherwise.

## II. QUESTIONS TO THE COUNCIL

*Question No 63, by Mr Oehler (H-833/80)*

Subject: Applications for loans under Article 56 of the ECSC Treaty

Does the Council agree that it is not clear from the answer to my Oral Question H-712/80 what the basis was for the applications by the Member States under Article 56 of the ECSC Treaty, bearing in mind that the ECSC budget does not contain the necessary funds for these applications; that the Council is opposed to the transfer of appropriations from the budget to the ECSC budget; and that even if such a transfer could be carried out the Commission assesses the funds available to meet these applications at 157 m.u.a. over three years, whereas the total of applications from France, the United Kingdom and Belgium amounts to over 600 m.u.a.

*Answer*

As the Commission informed the Council, applications were in fact submitted by three Member States — Belgium, France and the United Kingdom — for Community assistance under Article 56 of the ECSC Treaty in the form of a financial contribution towards early retirement measures which they are undertaking to ensure the rehabilitation of workers affected by restructuring operations in the iron and steel industry. Belgium also asked for assistance under Article 95 of the Treaty for measures in connection with partial unemployment

These applications do in fact amount to over 600 million ECU. As Community assistance is only *partial*, the Commission felt that, on the basis of the criteria usually applied in such cases, the Community contribution should be 112 million ECU for 1981 and 45 million ECU for the following two years. Details of the grounds for these amounts should be requested from the Commission, which proposed them.

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*Question No 65, by Mr von Wogau (H-844/80)*

Subject: Full implementation of the internal market

Does the Council prefer commercial agreements with the major third countries to the proposal from the Commission to introduce special Community specification procedures for products originating in third countries<sup>1</sup> and what are the prospects of obtaining such agreements?

Does the Council consider that its decision of 15 January 1980 laying down provisions on the introduction and implementation of technical regulations and standards<sup>2</sup> is a useful instrument in commercial negotiations with Japan and other third countries concerning import and export of especially motor cars, chips and television tubes?

*Answer*

The question has not hitherto arisen in these terms for the Council. Although there have been talks with a number of major trade partners on the problems met with in certain areas, the Community has not entered into proper negotiations with these countries in the full sense of the term.

The Decision of 15 January 1980 on the introduction and implementation of technical regulations and standards can certainly constitute a very useful instrument in checking whether, in sensitive sectors, the reciprocity required by the Agreement on Technical Barriers to Trade concluded under GATT does in fact exist.

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*Question No 69, by Mr Johnson (H-24/81)*

Subject: Law of the Sea

<sup>1</sup> OJ No C 54 of 4. 3 1980

<sup>2</sup> OJ No L 14 of 19. 1 1980.

In view of the reports that the United States intends to block possible agreement at the current session of the United Nations Law of the Sea Conference apparently under pressure from deep-sea mining companies which regard the existing draft treaty as unfavourable to their interests, can the Council indicate what stance is being adopted by the EEC to indicate their extreme disappointment at this development?

*Answer*

During the present session of the United Nations Conference on the Law of Sea, the United States delegation announced that the United States Government was currently carrying out a full review of its position; it was unable to accept any formulation of the draft Convention during the current session, as several months were needed to complete the review.

In a statement made in the plenary session on 17 March, Professor Riphagen, head of the Netherlands delegation, speaking on behalf of the Community and the Member States, expressed the hope that the outcome of past work would not be jeopardized, and stressed that it was essential to make a concentrated effort to bring the Conference proceedings to a conclusion as rapidly as possible.

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*Question No 70, by Mr Martin (H-28/81)*

Subject: Intra-Community trade in wine

For several weeks, massive imports of Italian wine into France have depressed sales and the prices of French wines. It would appear that Community measures are not fulfilling their function in Italy but are benefiting the large French and Italian wine merchants to the detriment of the French and Italian wine growers. To counteract this situation, does the Council intend to introduce a minimum price for intra-Community trade, as provided for under the regulations?

*Answer*

Aware of the problems currently affecting the wine-growing sector, the Council has discussed this matter three times in recent months. It has asked the Commission to implement the measures for the economic rationalization of the market provided for by Community regulations on the wine-growing sector. The Commission has also stated its willingness, after a thorough examination of this situation, to forward to the Council proposals for other measures which appear necessary. These would mainly concern the application of Article 15 of the basic regulation, namely distillation under exceptional circumstances. The minimum price system provided for in Article 15 a of the same regulation can only be instituted on a proposal from the Commission and as a last resort.

At present the criteria for the application of this system have thus not yet all been met. When the above-mentioned proposals are made to the Council, it will not omit to take the necessary decisions in accordance with Community regulations on the wine-growing section.

Furthermore, the Council has just adopted, on 2 April 1981, a regulation laying down general rules for the implementation of Article 15 a for the period to 15 December 1981. Thus, if it is decided to apply Article 15 a, the Council will have a ready-made instrument with which to apply this decision and will only have to take account of the economic and financial factors on the basis of which the minimum price in question must be fixed.

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*Question No 71, by Mr Pranchère (H-29/81)*

Subject: Co-responsibility levy

Could the Council clarify whether the mandate of 30 May 1980 provided for the adoption of the principle of generalized co-responsibility to limit agricultural expenditure?

*Answer*

The mandate of 30 May 1980 which was published in Official Journal No C 158 of 27. 6. 80, page 1 contains general guidelines, but does not provide specifically for measures such as the principle of generalized co-responsibility to limit agricultural expenditure.

The mandate, which is set in the context of the Council conclusions on the financing of the Community budget, specifies that for 1982 the Community is pledged to resolve the problem by means of structural changes and that in this connection a mandate has been given to the Commission (to be fulfilled by the end of June 1981) to examine the development of Community policies without calling into question 'the common financial responsibility for these policies which are financed from the Community's own resources or the basic principles of the common agricultural policy'.

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*Question No 72, by Mrs Poirier (H-31/81)*

Subject: Respect for the Community preference in respect of tobacco production

Community tobacco production is facing increasing competition from imports of tobacco at preferential rates in defiance of the principle of Community preference and with serious consequences for planters — reduction in acreages, fall in incomes. Does the Council intend to introduce a tax based on the percentage of Community tobacco in manufactured products so as to ensure that Community preference is respected?

*Answer*

The Council has not received any Commission proposals on the introduction of a tax based on the percentage of Community tobacco in manufactured products.

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*Question No 74, by Mr Pintat (H-36/81)*

Subject: Research programme in the ceramics sector

Following the favourable opinion delivered by the European Parliament on the Community research programme in the ceramics sector, can the Council indicate the obstacles which are preventing the adoption of this programme, which should have entered into force in January 1980?

*Answer*

The Council has not started its examination of the Commission proposal for a research and development programme in the ceramics sector as it is awaiting the opinion which the Scientific and Technical Research Committee (CREST) has been asked to give on the matter.

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*Question No 75, by Mrs Lizin (H-37/81)*

Subject: Social measures in the iron and steel industry

At the March part-session the Council stated that this matter would be raised at its meeting of 26 March and that every effort would be made to reach a decision. What is the outcome and what are the prospects?

*Answer*

Reaffirming the objectives previously defined on the restructuring of the iron and steel industry, the Council agreed on 26 March to 'examine in detail as soon as possible the appropriate social measures to be taken by the Community with a view to reaching the necessary decisions in parallel with decisions on further restructuring and the aids code'.

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*Question No 76, by Mr Boyes (H-46/81)*

Subject: Male midwives

With special reference to the training of male midwives would the President-in-Office inform Parliament which Member States are not carrying out Council Directive 76/707/EEC of 9 February 1976?

*Answer*

I would remind the honourable Member that it is for the Commission, as guardian of the Treaties, to ensure that Member States fulfil their obligations with regard to the application of Community legislation.

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*Question No 78, by Mr Kappos (H-51/81)*

Subject: Consequences of the imposition of steel production quotas

Is the Council aware that the imposition of steel production quotas is having distressing consequences for the Greek steel industry and those working in it?

Is it aware that the Greek industry is planning to dismiss 30 to 50% of its workers in order to achieve this it is getting rid of the union officials?

Is the Council able to inform us what subsidies have been given to the Greek steel undertakings and on what terms?

*Answer*

The Council is not aware that the introduction of production quotas has in itself had an unfavourable effect on the Greek steel industry and those employed in it. Similarly the Council has no information on the Greek industry's intentions as to employment.

It is the Commission which the national authorities must inform as regards specific aid projects for the steel industry and as regards the regions in which this industry would qualify for other types of aid, be they regional or general.

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*Question No 79, by Mr Colla (H-53/81)*

Subject: Adjustment of exchange rates within the European Monetary System

A spokesman for the Frankfurt institute for economic and financial research (IFO) has stated that an adjustment of the exchange rates within the European Monetary System (EMS) is inevitable and will

take place in May at the latest, involving a revaluation of the German mark and a devaluation of the French and Belgian francs.

Does the Council agree with this view and does it feel that such measures are really necessary?

*Answer*

The evolution of international monetary relations is quite frequently the subject of very diverse comments. The honourable Member will realize that it would be altogether inappropriate for the Council to react to such comments.

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### III. QUESTIONS TO THE FOREIGN MINISTERS

*Question No 81, by Mrs Ewing (H-464/80)*

Subject: United Nations' Convention on elimination of discrimination against women

Will the Council deplore the failure of the United Kingdom to sign the United Nations' Convention on the elimination of all forms of discrimination against women adopted by the UN Assembly in December 1979, and state whether they will seek to influence the UK to sign the Convention as other EEC Member States have done?

*Answer*

The honourable Member is no doubt aware that the rules on European political cooperation generally preclude answers being given to questions relating to the individual policies of one or more Member States, as only answers approved by all ten Member States can be given in this forum.

For the record, I should like, in my capacity as President-in-Office of the Council of Foreign Ministers meeting in political cooperation once again to draw the attention of the honourable Member and her colleagues to the fact that the agenda for discussions within the framework of European political cooperation is also drawn up on the basis of the consensus principle.

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*Question No 84, by Mr Balfe (H-17/81)*

Subject: Violation of human rights within the Community

Following my question H-818/80<sup>1</sup> and realizing the grave concern of many European citizens regarding the violation of human rights by Member States, will the ministers undertake to look at ways in which human rights violations within the Community can be afforded the same level of publicity and debate as violations of human rights outside the EEC?

*Answer*

The President has noted this question with interest.

<sup>1</sup> Question Time, March 1981.

He would remind the honourable Member that the *ten Member States are signatories to the European Convention on Human Rights*, which provides for checks on its implementation. He therefore sees no reason to raise this matter in the context of European political cooperation

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*Question No 86, by Mr Berkhouwer (H-40/81)*

Subject: Arms supplies to the People's Republic of China and Taiwan

Are the Ministers aware of the fact that the People's Republic of China is taking diplomatic sanctions against the Netherlands because of the delivery of two submarines to Taiwan by a Dutch shipyard whereas, as a rule, China does not react to arms supplies to Taiwan from other Member States and would the Ministers therefore not consider it appropriate for the Ten to agree on a common policy in this respect in the context of political cooperation?

*Answer*

The matter raised by the honourable Member has never been discussed by the Foreign Ministers meeting in political cooperation, and the President-in-Office is therefore unable to provide the author of this question with an answer.

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IN THE CHAIR: MR ROGERS

*Vice-President*

*(The sitting was opened at 10 a.m.)*

**President.** — The sitting is open.<sup>1</sup>

### 1. Agenda

**President.** — I call Mr Seefeld.

**Mr Seefeld, Chairman of the Committee on Transport.** — *(DE)* Mr President, I should like to ask you and the entire House to agree to a postponement of items 44, 45 and 46 on today's agenda until the May part-session. As I stressed at the beginning of Monday's sitting, these items concern very important questions of transport. I feel we would be deluding ourselves to think that we could ever get through the agenda as printed. This means that important transport questions could only be dealt with — if at all — towards the end of tomorrow's sitting.

The development of transport infrastructure or the problem of the weight of goods vehicles are matters which we cannot deal with before an empty House. What is more, a number of amendments have been tabled. Mr President, I feel that the dignity of this House requires that these matters be discussed when a large number of Members are present and that all Members have the opportunity to participate in the decisions through their votes. I would therefore ask you to remove these three items from the agenda and assure you that the rapporteurs Mr Klinkenborg, Mr Moreland and Mr Carossino are in complete agreement with me. We should discuss these important questions during the May part-session before a well-attended House.

**President.** — What we can do is withdraw them from the agenda, as the rapporteurs have agreed to this. They will then have to go to the Bureau for a final decision as to when they will appear again.

*(Parliament agreed to this request for withdrawal)*

### 2. Decision on urgency

**President.** — The first item is the vote on requests for urgent debate.

<sup>1</sup> Approval of minutes — Documents received: see Minutes of proceedings.

We shall begin with *the motion for a resolution by five political groups (Doc. 1-112/81): Crisis in Lebanon.*

I call Mr Hänsch.

**Mr Hänsch.** — *(DE)* Mr President, the Socialist Group is a co-signatory of this motion. I do not wish to delay proceedings in the House by giving a long list of reasons for urgency, since the news reaching us daily from this strife-torn country is reason enough. The sufferings of the people in the horror of the constant outbreaks of war and the duty of all of us to do all we can to achieve an immediate cease-fire are reason enough. The Socialist Group will vote for urgent procedure.

*(Parliament adopted urgent procedure — The item was placed on the agenda for 10 April 1981)*

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**President.** — We shall now consider *the motion for a resolution by Mr Oehler and others (Doc. 1-120/71): Pollution of the Rhine.*

I call Mr Oehler.

**Mr Oehler.** — *(FR)* Mr President, ladies and gentlemen, a thorough debate on the pollution of the Rhine has already been held in this Parliament.

On that occasion all other groups roundly condemned the present situation, in which there is a heavy concentration of pollution in the Rhine. I shall therefore not go back to the facts of the matter, but I would remind the House that it adopted three resolutions and that since then we are bound to note that, as far as chloride pollution is concerned, there has been no specific Community initiative.

The governments of the Member States are responsible for this paralysis. The Commission has itself recognized that it is possible to set up a salt works in Alsace with a capacity of a million tonnes, which would absorb a considerable part of the salt at present tipped into the Rhine. The setting-up of this salt works is awaited with justifiable impatience by the workers in the Alsatian potassium mines, whose jobs are threatened. These workers and the entire population of Alsace consider that the tipping of salt into the Rhine is an unprecedented waste which they condemn, and they call on the public authorities to take advantage of this raw material by putting it to industrial use. Besides, those who live along the Rhine, whether German or Dutch, only want one thing: that the pollution of the river should stop. Why have the ministers yet again postponed the date of such a long-awaited decision? What is the situation regarding

**Oehler**

the 'salt cartel' which has been widely referred to in the press and on which the Commission decided to open an enquiry?

The European Parliament would be failing in its duty towards the people who live along the Rhine if it did not decide today to state the problem clearly, to clarify the question of responsibilities and to demand that a solution be found as soon as possible which takes account of the economic and social interests of the regions concerned.

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mrs Maij-Weggen.** — (NL) Mr President, my Group is against dealing with this motion by urgent procedure because it is not at all concerned with putting a stop to the pollution of the Rhine but with an attempt to set up in Alsace a totally unprofitable salt industry at the Community's expense. That is at the route of this motion and is also at the route of the difference of opinion between France and the other countries along the Rhine when it comes to trying to solve the problems of salt pollution. The people of Alsace have been kept quiet for years with the promise of a salt industry, an idea mainly put about by French Socialists and Communists. The only real reason for this request for urgent procedure is the approaching French election campaign, in which this false promise has to serve yet again. When the French Socialists table a motion like this, you would not be far wrong to think of it as a letter from the fox offering to look after the chickens. I regret that Dutch Socialists should lend support to such a motion. It would be better to refer the matter to the Committee on the Environment for a balanced opinion which is not inspired by an election campaign but by a real concern about the pollution of the Rhine. This is why my Group is against urgent procedure.

**President.** — I call the European Democratic Group.

**Mr Johnson.** — Mr President, we regard it as being a matter of great importance — the pollution of the Rhine — economic, environmental and political. The Parliament adopted, as the first speaker mentioned, three resolutions last year. The Rhine is not noticeably cleaner. We think the right procedure is to refer this to the Committee on the Environment, Public Health and Consumer Protection to urge the rapporteur on the Committee on the Environment — and that happens to be me — to proceed with all deliberate speed with his work so that this Parliament can have a full debate on this subject of major importance in the near future.

**President.** — I call the Liberal and Democratic Group.

**Mr Galland.** — (FR) Mr President, the Liberal and Democratic Group will also vote against urgent procedure, since we feel that this is a serious misuse of the urgency rule. In your motion for a resolution, Mr Oehler, there are things which are true and others which need to be very carefully checked. The two problems are mixed: an environmental problem and an economic one. What we must do is therefore refer the matter to the two appropriate committees of Parliament, namely the Committee on the Environment for the problem of pollution and the Committee on Economic and Monetary Affairs for the problem regarding the setting-up of salt works. These committees must carry out the enquiries you demand, and it will be much more effective to demand enquiries into the results of the Council and the results of the studies carried out by the Commission than to demand them by means of a motion for a resolution to be adopted by Parliament. This House must give effective expression to its views on the matter after it has been thoroughly investigated. This is why we feel that it is a misuse of the urgency rule; furthermore, to say that it is urgent to find out the reasons why the Environment Ministers rejected the salt factory project really is a strange way to go about things, and we are sure, for our part, that once the Rules of Procedure are revised — and that will give the Socialist Group a chance to choose its urgent questions itself — this is a request for urgent procedure which it would not have tabled.

*(Parliament rejected urgent procedure. The document was referred to the appropriate committee)*

### 3. Situation in the Community wine-growing sector

**President.** — The next item is the continuation of the debate on the report by Mr Colleselli, on behalf of the Committee on Agriculture, on the present situation in the Community wine-growing sector (Doc. 1-680/80).

I call the Socialist Group.

**Mr Oehler.** — (FR) Mr President, ladies and gentlemen, Mr Colleselli's report shows a clear desire to find measures acceptable to all European wine-growers. One must admit that this is not always easy, and I wish to speak in this debate precisely in order to stress that European policy on the wine-growing sector must take full account of the problems and situation in all wine-growing regions, whether in the south or in the north of Europe.

Mr Colleselli's report rightly stresses the excessive taxation imposed by some Member States under the heading 'excise duties'. We think it is totally scandalous that the Community should provide distribution expenditure to get rid of what it calls 'over-production', while some Member States maintain a low level of consumption by duties which discriminate against wine.

### Oehler

This report also has our approval and support in that it expresses determination to implement a quality wine-growing policy in Europe. Various aids and incentives to wine-growers to encourage them to obtain the right equipment for wine production and to train wine specialists capable of using the most modern techniques, must be widely used. Similarly, we think it is necessary to improve storage facilities by increasing aid for the construction of fermenting rooms. Indeed, we think it is normal for a wine-grower to be able to store two harvests. This is an important factor in regulating the markets and the quality of the products supplied to consumers.

However, this report contains some obscure points on which I should like to have clarification from the Commission and the Council. I am thinking in particular of the problem of replacing chaptalization using saccharose with enrichment using concentrated musts. If it is true that rectified concentrated musts no longer seem to pose serious problems of quality in the present state of oenological knowledge — and my friend Georges Sutra tabled in the Committee on Agriculture the amendments on this subject which caution requires — it is clear, on the other hand, that these musts cost more than saccharose to achieve similar enrichment. Up to now Community aids have covered most of the costs of both operations and I understand the concern of Mr Colleselli and the Commission. At a time when sugar is in demand on the world market and stocks are diminishing, it is only logical to propose to enrich wine with a product of the vine. We are told that such a measure could in future lead to the withdrawal of between 8 and 10 million hectolitres of wine from the Community market for transformation into grape sugar. Moreover, we are not unaware that aids for concentrated musts represent a considerable saving for the Community budget in comparison with the distillation of surpluses.

But it is understandable that the justified anxieties of French wine-growers should find expression here, since up to now they had the right to chaptalize with saccharose and their position may now become precarious if these aids are abolished or even reduced.

I would therefore like to know if these aids are a temporary or a permanent measure. The wine-growers, and I am thinking especially of the wine-growers in my home region of Alsace, have the right to know if they can base their prospects on the stability of their incomes and their employment.

Another point raised by the rapporteur about which I would like further information relates to fraudulent practices. We are agreed in calling firmly for an intensification of the fight against fraud and its perpetrators. The wine-growers of Europe realize that they are the victims of the laxity of certain Member States. But when the rapporteur calls for an intensification of the fight against fraud, the question arises of who will pay for new checking procedures — the Community

budget, the budgets of the Member States or the wine-growers themselves.

We are therefore pleased with the good intentions expressed by Mr Colleselli's report, a report which — it must be stressed — was approved unanimously by the Committee on Agriculture, all groups and nationalities having been represented there and having given their approval. And we now hope it will be possible to move on to action to bring some order into the Community's wine market at last. At all events it is essential that a very serious effort be made to re-establish equilibrium on the wine market among the three major wine-growing countries of the Community — France, Italy and Germany — at a time when southward enlargement has already begun with the accession of Greece, and Spain — a wine-growing country with a surplus — has requested membership.

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Dalsass.** — (*DE*) Mr President, I should like to make a few further brief points regarding the report on the present situation in the Community wine growing sector. However, I should first of all like to congratulate the rapporteur on his report which is very comprehensive and reflects considerable understanding of the matter in hand.

There can be no doubt about the fact that wine production is very important in our Community as is clear from the production volume alone which reached an annual average of 150 million hl in the years 1974 to 1980. Wine production is particularly important in the case of Italy and France which produce more than 90% of Community wine. Nor should we forget that more than two million members of the agricultural population of the Community have direct interests in wine production and marketing.

The marketing of wine has run into various difficulties in the last few years and for this reason the Council of Ministers was right in adopting, in 1979 and 1980, various measures which are of great importance for the future of the wine sector and which principally involve promoting the sale of wine and providing certain guarantees, such as minimum prices and performance guarantees. Secondly, it was the intention that there should be no further increase in wine production but rather a reduction. With this aim in view a ban was imposed on all new plantings of vines and abandonment premiums were introduced. The aim is, quite correctly, that wine production should be abandoned in those areas which are least suitable for wine production and in which only large amounts of inferior wine are produced. Still greater efforts are required in this respect if a certain balance is to be restored in the wine sector.

**Dalsass**

One of the most important measures is aimed at promoting the production of quality wines. The improvement of quality is particularly important as this makes it easier for the producers to find outlets for their product and enables them to earn a higher income. These measures must be applied effectively in the individual Member States if we are, as I have already said, to re-establish a balance in the wine sector.

We must come to some effective arrangement as regards wine production in the very near future if we are to avoid excessive upheavals in this sector as a result of the enlargement of the Community. Let us not forget that with the accession of Spain and Portugal, wine production will immediately increase to over 200 million hl. If we are to avoid upheavals of this kind it is vital that something be done about the situation in practical terms without delay. All these measures will certainly bring a little more order into wine production and marketing if they are applied sensibly and in good time. Together with other colleagues, I have tabled an amendment which also has the approval of the rapporteur himself. In this amendment, we describe in detail a number of additional measures which would be useful additions to the report. I hope that firstly this amendment and then the entire motion for a resolution will be adopted by a great majority in the interests of the wine-growing sector in the Community.

**President.** — I call the Communist and Allies Group.

**Mr Martin.** — (FR) Mr President, on 1 April more than 6 000 wine growers from the south of France demonstrated in Sète, a centre for the import of wine, at the instigation of all the wine-growers' organizations, the trade unions and the cooperatives, to alert the French Government and the European Commission to the worsening of their situation. Indeed, despite a normal harvest in 1980, surplus stocks remained sizeable and prices abnormally low — hardly reaching last year's level. The wine-growers' action, which we continue to support and encourage, has already caused the performance guarantee to be increased to 100% for the quantities of wine under long-term storage contract.

The first result is an encouragement to us to continue and develop our action, for many problems remain to be solved. The Colleselli report takes some of these problems into account and proposes solutions with which we agree, such as the opening-up of a 'tranche' for special distillation or the fight against fraud.

But there are serious omissions from this report, for it ignores two basic questions which directly concern French wine-growers — imports and the enlargement of the European Economic Community. It also advocates measures which, while claiming to improve the quality of the product — which is a laudable aim —

aim in fact to speed up the implementation of the appalling policy of grubbing up tens of thousands of hectares of vines, which is unacceptable. Imports have risen in the most recent period to the intolerable level of 750 000 to 800 000 hectolitres a month. France, which is the main wine-producing country of the European Community, has thus become the leading importer. Self-limitation agreements have been trampled underfoot by the very people who had undertaken to respect them. The tide of imports has had the immediate effect of a sudden slowing of transactions and a drop in prices. It is not enough to note this, one must also explain it. At present it is for all the world as if there were two wine markets in the Community. Indeed, price differences between Italian and French wines, which vary from 10 to 30%, can be explained only by the ineffectiveness of or the failure to apply the Community measures — which operates in Italy to the profit of the large Franco-Italian trade and to the disadvantage of the Italian and French wine-growers themselves.

To correct this situation we call for the fixing and immediate application of a minimum price for intra-Community trade — a measure which is moreover provided for by Community rules. This minimum remunerative price would need to be guaranteed for the entire output of the small and medium-scale wine-growers. The rapid increase in imports which we have mentioned is accompanied by an accumulation of stocks in our cellars and by the distillation of quality wines. This is a sorry outcome for those who followed the recommendations of the Commission by improving the quality of their vines by massive investments and increasingly hard work. Whether the harvest is good or bad, whether they grow wine on the plain or the hillsides, the wine-growers of the south of France are fleeced in the same way by the policy followed by the Europe of the multinationals.

This situation could only worsen with the enlargement of the common market to include Spain and Portugal — something which the Colleselli report ignores entirely and deliberately. In order to prepare for this enlargement the Commission is encouraging more rapid grubbing up of vines. In three years, from 1977 to 1980, the wine-growing surface in France decreased by 100 000 hectares. All the grandiloquent conversion, modernization and restructuring plans are merely a snare and a delusion. Their only aim is to clear the way for Spanish wines. Enlargement means going out of business for thousands of wine-growers in France, particularly in the south. In Brussels, the French Commissioners nominated by Mr Giscard d'Estaing, the Socialist Mr Cheysson and the Gaullist Mr Ortoli, drew up and are now applying this policy of elimination of our vineyards and dismantling of our southern economy. The government in Paris accepts the Council's decisions on prices, which can only lead to further worsening of the situation of small wine-growers. A price increase of 10%, which will apply only from 16 December onwards and which will only partially affect

**Martin**

production is indeed quite inadequate to compensate for the vertiginous increase in production costs. Very fortunately, the principle of generalization of co-responsibility, i. e. taxing production, has been rejected for this year, but the question has merely been postponed. Those who want to limit our production on the pretext of surpluses have not given up their plans. They will certainly not fail to resume their offensive during the forthcoming debate on reform of the common agricultural policy. For example, we must oppose the proposals of the Committee on Economic and Monetary Affairs chaired by Mr Delors. The Moreau report, which it approved, calls in particular for a system of very sharply graded prices for wine to avoid the accumulation of stocks without outlets.

We are determined to continue our work with the wine-growers to prevent the enlargement of the Community and foil the plans of all those who wish to destroy our viticulture, whether in Brussels, Paris or even in the south of France itself. Whether people such as Mr Rocard like it or not, the wine-growers of France and of the south in particular, whom he has just insulted by describing them as producers of poor quality wine, are not prepared to be put out of business. Nor are they any more prepared to follow the promoters of a European wine bureau, who would like thereby to put our vineyards under the direct control of a supranational European body under the aegis of the multinational food combines. For us in the southern regions of France in particular, 'the vine is life'. This is more than a slogan, it is the motto for our fight to prevent liquidation of our vineyards and our wine-growing economy, but also to rejuvenate our viticulture.

**President.** — I call the Group of the European Progressive Democrats.

**Mr de Lipkowski.** — (FR) Mr President, the Colleselli report rightly takes into account the fact that the crisis resulting from the exceptional grape harvest of last year is still going on. Considerable quantities are being stored in France and Italy. The strengthening of income guarantee measures for wine-growers through the application of a performance guarantee to storage contracts has improved the situation. None the less, we regret that this guarantee is not as total as that granted to other agricultural products which benefit from an almost complete price guarantee thanks to automatic and permanent intervention at a good level. We must therefore continue with the policy of storage contracts, particularly for cognac, and extend these measures for the current marketing year to try to restore the balance on the European markets, which are faced with over-production problems. In other words, we must take preventive action instead of belated action. These measures must be financed using 1981 credits and we support the idea of additional

measures to encourage distillation, since the quantities available on the market exceed the forecasts. Of course, this restoration of the balance must be done on the basis of a remunerative price for producers, equal to at least 90% of the guide price. We also wish to have confidence in the minimum price measures, but in this case the minimum price selected must be as close as possible to the activating threshold price for intervention. To sum up, taking account of all these factors — performance guarantees for long-term storage contracts, minimum price for intra-Community trade, particularly between Italy and France, opening of additional distillation at a remunerative price for substantial quantities — it will no doubt be possible to maintain the market effectively.

But, in addition, our Group wants the Commission to propose to the Council measures to encourage consumption, develop refunds for exports to third countries and eliminate taxation which discriminates against wine. Bearing in mind what has happened in France, and particularly the duties which have been imposed on cognac as a result of a decision by the Court which also seriously penalizes spirits obtained by distilling wine in all regions of France, I propose the opening of a large-scale negotiation at European level on taxation of individual agricultural and industrial products. That is something which would help to popularize the European idea.

Finally, we stress the need to promote quality products, and of course these measures go hand in hand with structural measures currently in force. I do not wish to be accused here of pleading in favour of grubbing up. We do not in any way favour a policy systematically based on the grubbing-up of vines, if only for the reason that a considerable reduction in our wine-growing potential would encourage an increase in the potential of applicant countries which already have record harvests. The fact remains that grubbing-up must remain what it is — temporary and optional — and should concern, at any rate for the Cognac region, particularly the elderly wine-growers who have no-one to succeed them. Optional and temporary grubbing-up then, and — this follows on from what I have just said — we must provide the necessary additional incentives for replacement crops. Where the elderly wine-growers have deliberately grubbed up, replacement crops should be envisaged which should benefit from long-term contracts, and I honestly hope that credits will be made available for this, making it possible to find solutions for the shortage of vegetable proteins and agricultural energy sources.

It is on the basis of this overall view of agriculture and viticulture that by disciplining the market, adapting production, and encouraging replacement crops by special credits for the purpose, we should be able to turn wine-growing into a strong European economic sector.

**President.** — In view of the length of today's agenda, the list of speakers will be closed at 11 a.m.

I call the non-attached Members.

**Mr Papaefstratiou.** — (GR) Mr President, I should just like to say that Mr Colleselli's report contains many positive points as regards safeguarding the wine-growing sector. However, I would ask both him and the House to give due consideration to the fact that no mention is made in the report of 200 000 or so growers in Greece whose wine constitutes a sensitive product and who are in urgent need of protective measures.

In this context, I should like to ask Parliament and the Council of Ministers to investigate the proposals to see whether the protective measures can be extended to cover two varieties produced in Greece. I am referring to the sweet wine of the island of Samos and other regions and to ouzo, of which there are many producers in Greece and which needs some special protection. The purpose of these brief remarks is to stress how important this sector is for Greece, so that the proposed measures in favour of wine-growers will benefit Greek producers as well.

**President.** — I call Mr Gautier.

**Mr Gautier.** — (DE) Mr President, I should like to make it clear that I am not speaking on behalf of the Socialist Group but only for part of it. I should like, as it were, to water down the wine a little . . .

*(Interruption: It's been watered down already, but with pure water!)*

. . . The Colleselli report was adopted in the Committee on Agriculture with a large number of abstentions and I am one of those who abstained. However, I should first of all like to point out that the report also contains a positive point, i.e. that if the Commission takes additional measures it should do so within the limits of the 1981 budget. I do not think that it would be possible to put all these measures into practice with the resources available under the 1981 budget. However, if the Commission thinks it would be able to do this, it should go on and do it. Apart from this, however, I am opposed to the following points.

Firstly, the fixing of minimum prices strikes me as extremely dubious since the question arises as to the level at which they should be fixed and, quite apart from that, they would not be without consequences for the wine drinker — and I will make no bones about the fact that I personally am mainly a beer drinker. It would also affect intra-Community trade as a whole since fixing a minimum price would mean a

restriction on intra-Community trade. I wonder, as a layman, what will happen to wine if intra-Community trade drops as a result of minimum prices being introduced?

In addition, I personally regard, for example, the opening-up of special 'tranches' under the special terms applied — i.e. the producers in the regions in question receiving 85 or 90% of the guide price — as really only one of many transitional measures. I cannot help getting the impression from this report, however, that many people would like to see this introduced on a long-term basis with a view to rationalizing the wine market. From the point of view of energy policy, furthermore, I regard it as absurd first of all to produce wine and then to distill the alcohol from it because it cannot be sold. It would make more sense to start by trying to re-establish a balance between supply and demand. For this reason, the Commission should concentrate on reducing the area under vines and suchlike measures.

Thirdly, there is the question of the involvement of Commission on what has been referred to as publicity campaigns etc. Where, I wonder, will Community involvement end. Couldn't the producers themselves perhaps get around to doing something? What are producer organizations for? After all, in various countries they have shown that they are capable of conducting publicity campaigns themselves without financial backing from the Community.

Finally, I should like to mention the question of the campaign against excessively high taxes levied on wine. In Germany, wine is not taxed. Everyone is entitled to their own opinion on this subject and I personally would be in favour of levying taxes on wine . . .

*(Interruption: On beer too, then!)*

. . . yes, on beer too, since the taxation of alcoholic beverages is fundamentally a question of social policy. I am not saying that individual countries such as Denmark, for example, should be called on to reduce their alcohol tax accordingly — since basically what we are talking about here is the tax on alcohol . . .

*(Interruption)*

. . . wine is not alcohol, someone tells me. Well, that is news to me!

. . . so as to make it easier for some producers to sell their products in those countries. For a whole range of reasons of a socio-political nature this would not, in my view, be the right way of going about things. However, we could, for example, discuss harmonization, although one of the questions which would arise would be the extent to which harmonization should take place. For all of these reasons, I intend to vote against certain paragraphs of the motion for a resolution.

**President.** — I call Mr d'Ormesson.

**Mr d'Ormesson.** — (FR) Mr President, I too congratulate Mr Colleselli on his excellent report. In my speech I would like to tackle the problem which lies at the root of the malaise in the wine-growing sector. However praiseworthy and substantial the aids for storage, distillation, grubbing-up, and improvement of vine varieties or structures, however carefully worded and complete the 692 articles making up the Community regulation on wine-growing, these measures do not work in practice, because the problem of wine production and consumption has been tackled without making the effort to imagine their prospects, without the will to ensure respect for quality of the product and without the courage to propose rules which would gain the support of producers and consumers alike, so obvious is the need for them.

A considerable increase in the 1979 and 1980 harvests, contrasting with a drop of 2.5% in consumption in the Nine, characterize a market which has been opened to Greece this year and which it is intended to extend later to Spain and Portugal. In this economic situation, and also to meet the expectations of consumers who are increasingly reluctant to accept blended wines, the Council of Ministers and the Commission devote their communications to encouraging Community wine-growers to commit themselves firmly to a policy of quality. However, the facts belie this desire to encourage. On the one hand, the control of grubbing-up, the ban on new planting and the rules for trade in wine are respected, while on the other no-one knows what is happening in the trade or even less in the administration, except that the supply is continuing to grow. On the one hand, distillation takes place according to the *tranche* with the price fixed by Brussels or on the basis of the performance guarantee, while on the other the aid received makes it possible to sell wine in France at producer prices, even if the price normally charged in the trade is less than the distillation price. This policy is obviously a result of the interminable delay in producing a regulation on distilled Italian wines. Thus exports of wine to France have doubled since the last harvest despite the self-limitation agreements agreed with the exporters.

However, everyone knows that if the threshold for imports into France of 6 million hectolitres per year is exceeded the market will be destabilized and plunged into chaos, the wine-growers reduced to poverty and sometimes ruined, with the result that they will become bitter, despairing and angry. This scandalous, irrational and deplorable situation must end. Wine and its producers deserve a better fate. The first action to be taken is to admit that there is no vineyard survey in one of the two main producing countries (although there should be one in each country under Article 1 of Regulation No 24 of 4 April 1962). I would point out that it exists in France since 30 September 1953. Next, we must recognize the consequent need for measures

suitable to a special situation, and made all the more urgent since the enlargement of the wine market to Spain and Portugal depends on them. Let no-one delude themselves about that. To that end, we should decide to fix a production quota each year designed to cover the internal and external needs of the Community, which would benefit from the guide price, the surpluses being distilled at the market price, and to fix in parallel a quota for exports from a Member State to another wine-producing Member State. Next, we must ban the manufacture of artificial and synthetic wines, imitation wines and watered-down wines. What an odd world, and what a strange trade! What strange people they must be who thus sully the reputation of what Pasteur called 'the healthiest and most hygienic of drinks'! In these circumstances the fall in wine consumption in the Community is hardly surprising. Finally, we must encourage within the wine-producing Member States the development or creation of an anti-fraud service to protect producers and consumers from profiteers and other charlatans.

In this context I have tabled two modest amendments. The first expresses the hope that future harvest declarations will be drawn up not merely, as hitherto, in two columns, one for white wine and the other for red wine, but in three columns, the third column being for rosé wines. Indeed, it is forbidden to make rosé wine by blending red and white wine. This measure would close a loophole for fraud at no financial cost. The other amendment, calling for the Community to help to finance the creation or strengthening of an anti-fraud inspection service aims precisely to provide the Community with the necessary instrument for enforcing respect for regulations on production, vinification and trade in wines. We shall be grateful for the chance to help wine-growers and consumers, through these two measures, to begin a reorganization of the market.

**President.** — I call Mr Kappos.

**Mr Kappos.** — (GR) Mr President, I should like first of all to inform the House that the Greek farmers' trade-union movement does not have an opportunity to have immediate contacts with Parliament and its committees, because it does not participate in COPA (Committee of Agricultural Organizations in the EEC). The reason for this is that the Greek Government, under a bill introduced and approved in the Greek Parliament, appointed the cooperative organization PASEGES as the professional trade-union organization to be represented in COPA. I should therefore like the Bureau and the competent committee to take this fact into account and to do everything in their power to communicate with the Greek farmers' trade-union organization, which is the General Confederation of Farmers' Associations of Greece. I should also like to hear what the competent bodies think of this political move on the part of the Greek Government.

**Kappos**

Mr President, we appreciate the problems of wine-growers in the countries of the EEC, but we must point out that the problems facing wine-growers in my country are extremely serious. Apart from the fact that costs are much higher because of the much higher rate of inflation and the fact that a number of national support schemes are being phased out by 1985, production costs for wine are also much higher because of the smallness of the production units, the low level of mechanization and the limited use made of fertilizers and other agricultural aids.

In Greece, moreover, there is a scarcity of select varieties and a lack of standardization and wine-bottling facilities. It is symptomatic that only about 2% of the wine exported by Greece is in bottles. After Greece's accession to the EEC, while opportunities for exporting have been restricted — particularly to the socialist countries — there are no corresponding opportunities for Greek wines to compete with equivalent wines in the Community. As a result, the approximately 200 000 Greek wine-growers will to some extent be forced to grub up their vines, despite the fact that soil and climatic conditions are favourable. We therefore feel that, in addition to the general measures proposed in the report, special national measures should be taken to ensure the genuine development of wine-growing and a satisfactory income for wine-growers.

**President.** — I call Mr Almirante.

**Mr Almirante.** — *(IT)* Mr President, first and foremost I thank the Committee on Agriculture and its rapporteur Mr Colleselli for taking account of the motion for a resolution tabled by our Group, which was accepted in substance by the Committee and rapporteur.

For my part I am glad to be able to express a favourable opinion, with special reference to a few points which I shall now have the opportunity to stress briefly, and I am even more pleased that the only tendentious, false and above all anti-Community note was totally ignored by the majority of the Committee. I refer to the motion for a resolution tabled by the French Communist Members which states that Italian wine exports have harmful consequences, as if the problems of European and especially Mediterranean wine-growing, particularly now after Greek accession, could be solved by fratricidal battles rather than fraternal agreements.

The points in the Committee's motion for a resolution which matter most to us are these: the prospect of effective measures to promote exports to third countries, to be implemented with financial aid from the Community; an intensification of the fight against taxation which discriminates against wine in some non-producing countries; vigilance towards the excesses of the generalized anti-alcohol campaigns;

the gradual elimination of the practice of adding sugar throughout the Community, together with the fight against adulteration and fraud; and promotion of quality by continuous improvement of production and marketing structures, especially those of the cooperatives.

Since I speak on behalf of the nation which is suffering most at the moment from the wine-growing crisis, I sincerely hope that this excellent motion for a resolution will not be a dead letter, but will be rapidly implemented to safeguard the work and standard of living of about one and a half million Italian wine-growers.

**President.** — I call Mr Frangos.

**Mr Frangos.** — *(GR)* Mr President, I come from and represent a region — Attica — where there is a long tradition of wine-growing. Ever since the times of Bacchus, wine has been produced there and held in high esteem. It is therefore only natural that I should have a particular interest in the subject of Mr Colleselli's report, which I find fair and objective and deserving of my congratulations. In the motion for a resolution I particularly welcome points a), b) and c) of paragraph 1 calling for measures which the rapporteur rightly considers to be urgently needed. However, Mr President, I am informed that the Commission has already made it possible to distill 100% of the red wine under long-term storage during the period 1979-1980, so that point a) should be deleted from the motion insofar as it relates to this question. This does not apply, however, to the questions dealt with under points b) and c) of the motion, i.e. the introduction of special distillation and the application of the minimum price mechanism. I should like in particular to draw attention to the pressing need to make it possible for producers to resort to special distillation for all types of wine. There are various reasons for this: firstly, for weeks now the prices paid to wine producers have been very low, about 60 to 70% of the guide prices, and this is particularly the case for white wines; secondly, producers have large stocks of wine; thirdly, the market is showing a disquieting slackness, and wine-growers are concerned to note that, while the new harvest is approaching fast, there is no demand for the product; fourthly, all the other measures it was possible to take with a view to reorganizing the market have already been exhausted — unfortunately without producing the desired results. The fact is that wine-growers regret having to resort to distillation, since they witness the destruction of the wine over which they have taken so much trouble and care, but there is unfortunately no other solution. It is necessary evil. In our view, a decision on special distillation is urgently required if the market is to improve, and I think this should be emphasized in the motion, just as it should be emphasized that it is essential to establish a satisfactory price to the producer.

**Frangos**

As regards the minimum price mechanism, I would stress that it must be introduced as soon as possible, because I think it may help to stabilize the market and ensure a fair income for wine-growers.

Where I totally disagree with both the report and the motion for a resolution, however, is on point d) of paragraph 1, relating to promoting the widespread use of concentrated musts for the enrichment of wines — and particularly the fact that this refers not just to normal musts but to rectified musts as well. This proposal is at variance with the very medium and long-term policy called for in point e) of paragraph 2, which relates to the improvement of quality of wine through the gradual abandonment of areas in the plain where yields are high but quality is low. If increasing the alcohol content by adding rectified musts is allowed indiscriminately, this will lead to more vines being planted in areas which give high yields but low-quality wines poor in sugar, while in areas suitable for wine-growing the vines will be cultivated like sugar beet. If the quality of the wine is to be high, it must come from areas with suitable conditions, and not from wet areas or areas in the plain. Let me point out that if we encourage the use of concentrated rectified grape must, all we are doing is replacing beet sugar — which is currently used in some countries — with sugar from the products of the vine. I even wonder whether such a product is actually produced and whether there are any scientifically-based data on this question, since as far as I know the International Vine and Wine Office has not yet reached any decision in this respect.

I therefore think this proposal is highly premature, and I have serious reservations for all the reasons I mentioned above. I thus propose that it be left out of the motion for a resolution. In the final analysis, Mr President, wine has to be 'prepared' and not manufactured like any old industrial product.

However, as far as the medium and long-term measures contained in the motion for a resolution are concerned, I find these generally very important, although there are a few points I should like to make. Firstly, I particularly welcome the proposal under point a) of paragraph 2 that there should be a publicity campaign to promote exports to third countries since, as you know, the Community has a surplus of wine. In this context I would propose that special reduced rates should be applied for wine advertising — particularly by cooperative organizations — in the State-controlled mass media of the Member States and that there should be financial aid to cover part of the costs of wine advertising in third countries. However, the passage starting 'in this context . . .' and going on to the end should, I think, be deleted, since the quality standards for wine have already been laid down in the relative regulations, such as Regulations 338/1979, 2247/1973, 2236, etc. Secondly, as regards points b) and c) of the motion for a resolution, I attach particu-

lar importance to the proposal to harmonize taxes — in the sense, of course, that excessive taxes will be reduced — so as to make wine more attractive to the consumer. I would particularly like to point out that, if the harmonization leads to an increase in the taxes on wine, this would immediately cause disruption on the market as a result of the highly probable fall in consumption. Thirdly, I am also interested by the proposal in point c) that there should be round-table talks on television and in the press to emphasize the positive aspects of wine and to put an end to the unfair campaigns against pure wine which, if used and not abused, can produce only good effects — particularly in the case of diseases of the arteries — and reduces the risk of heart attacks. Fourthly, as regards point d), I agree completely that we must put a stop to the use, throughout the Community, of sugar to increase the alcohol content. Apart from other considerations, this leads to illegal competition, since the sugar is sold at prices lower than that of the natural sugars contained in the wine must. We are naturally also against the use of concentrated rectified must instead of sugar, as I said before. In conclusion, I would repeat that the best advertisement for wine would be to improve its quality, and this will be achieved by forbidding new plantings on plains or in wet areas — which, although they produce high yields, could be put to good use for other crops — by combating adulteration with punitive fines and continuous and frequent checks, not only in the areas of production but also during transit, and, finally, by providing aid to those countries which lack modern technology, machines and equipment, and giving cheap EAGGF loans to cooperatives so that they can protect themselves and compete against the well-known firms.

**President.** — I now call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA) Mr President, I would like to take this opportunity to compliment the Committee on Agriculture for its initiative and the Committee's rapporteur, Mr Collesselli, for his report on the present situation in the Community wine-growing sector. The difficulties in this sector must be seen against the background of the record harvest in 1979, the effects of which can still be felt. Although the problems dealt with in this report are by and large in my opinion dealt with in a very positive manner, there are a few points in the proposed measures which I would like to comment on.

I realize that many members of Parliament are preoccupied with the problems in the wine sector, as they have shown by the many initiatives which have been taken in this sphere. Let me just refer to the common plans of debate on the subject which took place at the part-session in May 1980. These Members must however also acknowledge the effort made by the Community and the Commission, not least purely administratively, to restore the equilibrium on the

**Dalsager**

wine market after the record harvest of 1979. The Commission of course used every possibility for intervention at its disposal. In addition in the spring of 1980 the Council decided to introduce extraordinary distillation and authorized the withdrawal of more than 8 million hectolitres of the approximately 10 million hectolitres which were distilled following the distillation measures which were adopted at the beginning of the 1979-80 production year.

Another problem arose in connection with the 1980 harvest which, although it was only slightly above average, gave rise to difficulties because stocks were already too high. In September 1980 distillation measures were introduced which, when they get under way, will cover over 18 million hectolitres of table wine. Recently the time-limit for applying for these distillation measures was considerably extended, so that the full benefit can be derived from all the possibilities arising therefrom in an effort to rationalize the market.

In accordance with the proposal for an amendment Nr 3 by Mr Martin and others, the Commission has just decided that the percentage quantity of red table wine which can be distilled under the 'performance guarantee' system will be increased to 100%. In this connection may I however point out that the Commission cannot support the proposal for an amendment No 4 by Mr Martin and others to the effect that such distillation should also cover wines with an alcohol content of 9.5%. This would imply a step backwards for the Commission's policy of improving quality. Precisely with regard to quality and using quality criteria as a starting point, the Commission, has increased the alcohol content for table wines which can be eligible for storage contracts and distillation with a performance guarantee to 10%.

As regards the measures which are to be introduced in the very near future on two points proposals for amendments have been put forward on which I should also like to express an opinion. The first is that the obligation to grub hybrid vines in certain regions should be abolished. This is the proposal for an amendment No 8 by Mrs Poirier. This obligation is as you know the result of a decision taken by the Council in 1976 with a view to improving quality. The Council fixed a period of four years in which this grubbing measure would apply and granted subsidies for conversion in accordance with Regulation 1163/76. The second point is aimed at extending export refund measures in the wine-growing sector to cover concentrated grape must. The Commission is willing to examine this proposal, provided that expenditure on this does not become completely excessive and that it does not exceed the sum applying to wines entitled to refunds.

With regard to the proposed medium and long-term measures I can say that to a large extent I agree with the rapporteur. This is all the easier for me in that the

Commission has already taken or will soon take a series of initiatives on certain points.

The Council's decision of February 1980 will be implemented in respect of the provisions for planting and replanting of vines and the abandonment and conversion programmes in accordance with the programme of action 1980-1986. This action programme implies strict control over plantings in the wine-growing sector and provides for a contribution from producers towards effort to control surpluses. This is also the reason why the Commission does not intend to propose that a co-responsibility levy be introduced in this sector.

I would like to say a few words also in connection with the proposal for an amendment No 13 of Mr Sutra on the setting-up of a European wine directorate. As you know the Commission put forward a similar idea in a proposal for a Council regulation amending the basic regulation of the market for wine, which was presented to the Council on 13 February 1978. The Council however was not in favour of the idea and the Commission therefore withdrew the proposal in May 1978. For the moment I find it neither opportune nor possible to consider setting up a body of this kind.

On the particular point of chaptalization might I point out that the Commission has already stated in its action programme that the aim is to prohibit the addition of saccharose. We have proposed some initial measures on concentrated must which were adopted by the Council in 1980. The Commission must now work out and propose new measures so that steps can be taken towards achieving this goal. In this connection the Commission is at present making a thorough investigation into the possibilities of stepping up control measures within the wine sector, amongst other things by extending the measures already in force. The Commission intends to take initiatives along these lines in the next proposal amending basic regulations governing the common organization of the market in wine.

Finally I should perhaps add, Mr President, that just at present the Commission is considering introducing exceptional distillation in view of the extraordinary low prices for wine at the moment, with the result that the wishes which were also expressed during this debate, may perhaps be proposed to the Commission in the very near future.

**President.** — I call the rapporteur.

**Mr Colleselli, rapporteur.** — (IT) Mr President, I feel I must thank the Members who have spoken for the appreciation they have shown for this report. I likewise thank the Commissioner for the remarks he made and the direct replies he gave to the speakers, as well

as for the useful indications he has given to me in his usual authoritative way.

Mr President, it seems important to me to stress once more that this report was not prepared merely on paper, and was not the result of theoretical work but of surveys made in the main wine-growing areas of the Community.

It is clear that the countries most concerned with the problem, on account of the scale of their production, are France and Italy. None the less the report was based on the general picture of Community agricultural policy.

Some questions which were raised in the course of the debate — such as the addition of sugar, among others — may receive an answer during the voting on the amendments. However, I am pleased that all the speeches, despite some reservations expressed here and there, were orientated towards qualitative improvement of wine production in the Community — including Greece, although when the report was drafted Greece was not yet officially a member of the Community.

If these short-term measures, as proposed in the report, are approved — and I think the Commissioner's speech leads us to think that they will be — it will be possible to prevent a worsening of the crisis in the Community wine-growing sector — something which seems to me of no mean importance.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

#### 4. *Improvement of public facilities in certain less-favoured areas of the FR of Germany*

**President.** — The next item is the report (Doc. 1-860/80) by Mr Früh, on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-654/80) for a regulation concerning a common measure to stimulate the improvement of public facilities in certain less-favoured areas of the Federal Republic of Germany.

I call the rapporteur.

**Mr Früh, rapporteur.** — (DE) Mr President, ladies and gentlemen, the report currently before us has already been included on our agenda on three previous occasions and in each case it was the last item. I should therefore like to say that I deplore the fact that we never managed to have it included as the first item for

the next part-session after it had been included as the last item for a previous one. It has suffered more or less the same fate as the Colleselli report and I should like to urge the Presidency — and both the Commission and the Council of Ministers have also made urgent requests to this effect — to be a little more flexible in dealing with reports which are right at the bottom of the list but are nevertheless urgent.

Having said this — and I hope I was not simply wasting my breath — I should like to thank the Commission for having made a proposal of the kind currently before us on which I should like to make some comments. This proposal reflects, I think, something that we have been calling for for a long time, i.e. that the Commission is breaking away a little from its structural policy involving uniform guidelines for the Community as a whole and is placing greater emphasis on special programmes which are more regional in nature. Several special Community programmes have now been introduced for the north of England, Ireland and the south of France and the south of Italy, and in the Committee on Agriculture, in particular, we were somewhat surprised in this connection, that the Federal Republic of Germany of all countries should now be the subject of a special programme. I should like to thank all my colleagues in the Agricultural Committee that they have managed to get over their initial aversion to a programme for the Federal Republic — I see that Mr Provan is nodding approval — when it became clear that it was not a question of drawing up a programme for the Federal Republic simply so that it should have one too, but merely because a programme is being drawn up for various regions which have already for some time been designated for this purpose in Community directives i.e. less-favoured regions. I am really grateful to my colleagues that, following a fairly heated debate in the Committee during the Green Week in Berlin, this programme was adopted with no votes against but only two or three abstentions.

And now briefly to the facts. The aim of the proposal is simply to assist in the improvement of less-favoured regions, particularly as regards the agricultural structures. In particular, it has been decided to improve the road systems and waterways in these regions and if I mention a few specific areas you would immediately realize that this is indeed necessary. The areas in question are parts of the Black Forest, the Swabian Jura, mountainous areas, the Bavarian Forest and the Sauerland i.e. areas some of which are also less favoured as a result of the fact that they are situated on the inner-German frontier and where we think it is vital that the agricultural situation should be improved. It would naturally be much better with a view to stemming the flow of the population from these areas if we could also do something about creating non-agricultural jobs in addition to this purely agricultural programme. That would be in fact the right thing to do from the point of view of the people of these areas.

**Früh**

As you know, the funds have been calculated for a period of five years and the sums available for this period amount to 45 million EUA. Naturally the beneficiaries, the Federal Republic of Germany and the Federal *Länder* must all bear part of the costs of this project. The beneficiaries must provide at least 10%, the Federal Republic of Germany at least 20%, and the Community as a whole approximately 30%.

What I find slightly disturbing, however, is that this programme, for which we are grateful — is perhaps coming at an unfortunate moment since the various *Länder* and the Federal Republic as a whole are very short of funds at the moment. There is thus a risk that this programme might perhaps not quite work out since the Community will naturally only provide funds if the *Länder* and the Federal Republic get things moving in the first place.

As you will realize, this is a very difficult matter. People are counting the coppers everywhere and they never have enough. Thus I should like here today to make an appeal to the *Länder* and the Federal Republic to make a good start on this programme so that the less-favoured regions may get something out of it.

This is all I wanted to say as rapporteur, Mr President. If I may, I should like very briefly to speak on behalf of my Group. We decided to do it this way in order to save time. I should like to say quite simply that the Group of the European People's Party has unanimously adopted this programme and these proposals.

**President.** — I call the Socialist Group.

**Mr Gautier.** — (DE) Mr President, ladies and gentlemen, I can, broadly speaking, go along with the points made by Mr Früh and say that the Socialist Group intends to vote in favour of this programme although certain members of our Group in fact wonder whether programmes of this kind are always sensible and whether there are not other possible ways of taking greater account of certain areas, determining the financial capacities of the individual Member States and deciding whether a programme of this kind is really necessary. I should like to state quite clearly that I myself am one of the people affected, as I come from a region on the so-called inner-German frontier where I know there are certain structural weaknesses. Certainly, we are not as badly off as certain areas in Ireland or Italy and we are therefore very grateful that the occasional programme should be drawn up for the Federal Republic too.

**President.** — I call the European Democratic Group.

**Mr Moreland.** — Mr President, first of all I would say that my Group supports the Commission's propo-

sal, for reasons that are not solely related to agriculture. The only points we wish to make are, first, to ask the Commission what the implications are for other areas in the Community designated under the 1975 legislation — that is, whether the other disfavoured areas under this legislation are to receive the same attention and the programme to be extended to them; secondly, to ask what coordination there will be with the Community's regional programmes — in this connection I would draw attention to Article 3 (Z) of the Commission's proposal, which specifically mentions that programmes have to be forwarded under this particular proposal under the Regional Fund; and thirdly, to express the hope that the Commission will look generally at the coordination between the Regional Fund and this programme related to the disfavoured areas.

I warmly support the Commission's proposals, and we very much support the belief that these areas of western Germany should be developed and become economically strong and viable.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA) Mr President, I would like to say thank you for the support given to the Commission's proposal on this question. I feel that there is every reason to thank the rapporteur, Mr Früh, for the patience he has shown on seeing his proposal removed from the agenda on no less than three occasions. It must be a big day for Mr Früh now finally, for the fourth time, to have a chance of seeing his proposal adopted. Let me say also to Mr Früh that the Commission is very grateful for the work he has done and for the report he is now finally getting through Parliament. We in the Commission are also pushing to have the proposal adopted, and for this reason, I welcome Parliament's support.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

##### 5. *Statistical surveys on bovine livestock*

**President.** — The next item is the report by Mr Provan (Doc. 1-859/80), on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-702/80) for a directive amending certain provisions of Directives 73/132/EEC and 78/53/EEC relating to the statistical surveys to be carried out by the Member States on bovine livestock.

I call the rapporteur.

**Mr Provan, rapporteur.** — Mr President, first of all, in the very short time that I am going to take to introduce this report, I wish to associate myself entirely with what Mr Früh said when opening the debate on his report, about the delay which has occurred in bringing forward these reports. It seems totally wrong to me that reports which have been lying on the table waiting for formal ratification and which are not really contentious issues should take so long to reach the floor of this house and get through the legislative process. It is absolutely wrong because it means that we are seriously holding up forms of agreement in other Community institutions. And if we wish, as a Parliament, to gain any strength and recognition within the Community, we should use these delaying tactics selectively for those reports that we actually wish to hold up and make a point on, and not allow delays to occur because of administrative bungles.

The report itself is a very simple one and I am not going to take up much time on it at all, because it is purely a matter of extending certain statistical surveys which have been in progress since 1973. We are being asked by the Commission to extend them for a further period of time; to bring some finer tuning into the gathering of information on the cattle population within the Community; to approve some greater degree of definition between cattle used for milk production and cattle used for beef production; and to approve some greater degree of understanding on the different age-groups of cattle within the Community so that we know what is in the pipeline of production. It is only when we know the numbers of animals that are going to be available for beef production, and hence consumption, that we shall have any form of understanding as to how we can properly manage the market in the beef and milk sector.

With those few words, Mr President, I lay this report formally before the House for its approval.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA) I would also like to thank Mr Provan for persisting and getting his report presented to Parliament for approval. Sincere thanks also for the very positive treatment which the Commission's proposal has received in this report of Mr Provan. In respect of point 5, I would like to assure you that the Commission, in cooperation with the Member States, is constantly trying to improve the quality of the statistics. It is obviously a task on which a great deal of effort is expended, and which should be intensified.

As stated in the Commission's second report, from 1979, to Parliament and to the Council, satisfactory harmonization in this field was arrived at through various agreement with the Member States. Once again I thank Mr Provan for his report.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

#### 6. *Cereals, rice and the Common Customs Tariff*

**President.** — The next item is the report by Mr Sutra De Germa, (Doc. 1-71/81), on behalf of the Committee on Agriculture, on the

proposals from the Commission to the Council (Doc. 1-846/80) for:

- I. a regulation amending Regulation (EEC) No 2727/75 on the common organization of the market in cereals, Regulation (EEC) No 3330/74 on the common organization of the market in sugar and regulation (EEC) No 950/68 on the Common Customs Tariff;
- II. a regulation amending Regulation (EEC) No 2742/75 on production refunds in the cereals and rice sector; and
- III. a regulation amending Regulation (EEC) No 2744/75 on the import and export system for products processed from cereals and rice.

I call Sir Henry Plumb.

**Sir Henry Plumb, Chairman of the Committee on Agriculture.** — Mr President, in the absence of Mr Sutra, I formally submit this report to the House. It was fully supported by the Committee on Agriculture.

**President.** — I call the European Democratic Group.

**Mr Hord.** — Mr President, my group welcomes the Commission proposals to transfer the product caramel from the sugar to the cereals sector, now that caramel is manufactured from maize, and to increase the specification for maize groats in the manufacture of beer.

One of the points that emerges here is that the Community is not self-sufficient in maize. One or two people feel that this proposal has shortcomings and that the Community has a sufficiency of maize. That is not so: American cheap imports have prejudiced the Community manufacture of caramel to the point of threatening the businesses concerned. I should, perhaps, declare an interest insofar as there is a caramel factory in my constituency in Uxbridge: I can tell you that the jobs of the people in that factory are very much threatened and it is only because of the hope that this change-over for this product called caramel is going to go through in the Community that that factory has the prospect of carrying on. It is only fair to add that maize processing has had a very difficult time and in the last year or so five factories in the Community have had to close down.

**Hord**

With regard to the need felt by brewers to have a recasting of the specification of maize groats, I should like to tell honourable Members that there is no question of maize groats' being used as a substitute for barley malt, since the maize is used purely to improve the quality of the beer.

So we welcome these proposals, and I should like to pay a tribute to the Commission's staff for their help and understanding in securing the change-over concerning the substance caramel.

On the other hand, like Mr Provan, I am concerned about the time that is necessary for these transfers to take effect. In many ways, we shall find, I think, that many firms who have vital interests will be substantially prejudiced by the fact that these technical change-overs take so much time.

In conclusion, my Group welcomes this proposal and hopes that the House this evening will support this view.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA) Mr President, firstly I should like of course to thank Mr Sutra De Germa for his report on these two difficult, complicated and specialized questions. I regret that he cannot be present but I ask his colleagues to convey my compliments on the report he has presented to Parliament for approval. It deals with two complicated, specialized problems, caramel and maize groats respectively, and I share the views just expressed by Mr Hord on these two issues. I am grateful for the support given here to the Commission's proposal. I would like therefore to ask that Parliament as a whole react positively to the proposal presented by the Commission so that we can solve some of these important problems to the benefit of the producers involved.

**President.** — The debate is closed. The motion for a resolution taken will be put to the vote at the next voting time.

### 7. Regulations on beef cattle production in Ireland

**President.** — The next item is the report by Sir Henry Plumb (Doc. 1-108/81), on behalf of the Committee on Agriculture, on the

proposals from the Commission to the Council (Doc. 1-58/81) for:

I.a regulation establishing a common measure for the development of beef cattle production in Ireland;

II.a regulation introducing temporary financial aid from the Community to Ireland for pre-movement tuberculin testing and brucellosis bloodsampling of cattle; and

III. a regulation on the granting of an additional premium for maintaining suckling cows in Ireland.

I call the rapporteur.

**Sir Henry Plumb, rapporteur.** — Mr President, I submit this report and ask Parliament to support the Commission proposal to apply income aid for Ireland and for Northern Ireland.

My committee met on Monday of this week. They considered this proposal and fully supported the proposition, firstly, to encourage farmers to take up the incentive offered to eradicate disease, to finance extra aid for suckling cows and to help maintain stocks, to improve pastures through the application of lime, and to encourage silage making and, what is more important, the better conservation of grass.

We recently had a stark reminder of the falling incomes in agriculture, particularly in these areas. These measures will help in a small way to alleviate the problem and help increase the business efficiency of many of the small farms in Ireland and in Northern Ireland.

The expenditure for this scheme is set out quite clearly in the report so that it should be seen as an incentive for application. If it is approved by the Commission and the Council, it should proceed on the basis of 1982/83 as a good incentive for starting up these various schemes.

Mr President, because of the problem of our meeting on Monday and the short time we had to deal with this, I have, in consultation with the Commissioner for agriculture, set down two amendments, one to the preamble and the other seeking to add a new paragraph 5A therefore to the report.

I inform the House that the first amendment which is to the preamble seeking to add a fourth indent which would say 'whereas the Commission is revising its proposals so as to extend their application to Northern Ireland . . .' while the second after paragraph 5 seeks to add a new paragraph 5A worded as follows 'notes the fact that the Commission intends to revise its proposals along these lines.' These amendments therefore are before the House together with the whole of my report which I hope the House will consider favourably, Mr President, and support when we deal with it at voting time.

**President.** — I call the Socialist Group.

**Mr Gautier.** — (DE) Mr President, ladies and gentlemen, I hope we will also receive the amendments mentioned by Sir Henry Plumb in writing. The motion to the effect that the programme should be extended

**Gautier**

to cover Northern Ireland is likely, I think, to pose problems. It is reasonable to expect that, in accordance with our rights, Parliament should actually be formally consulted rather than some decision or other simply being taken without the budgetary implications being known. I have always thought that Northern Ireland basically belonged to the United Kingdom and would be interested to hear what the Commission proposes.

I should now like to make a few remarks regarding the programme for the Republic of Ireland. There has undoubtedly been a dramatic drop in the incomes of many farmers in Ireland over the last year or two and special measures for the benefit of Ireland would thus appear to be a sensible idea. However, the question is simply whether the Commission's proposals are in fact sensible ones deserving of our support.

Firstly, I should like to draw the attention of the House to the fact that the Commission intends to draw the funds mainly from the guidance section of the EAGGF. These are supposed basically to be structural measures but if one examines the Commission proposals, it becomes apparent that they consist largely of direct aids to agricultural incomes. For example, the Commission intends in the future to increase the use of artificial insemination or the application of lime to pasture land, etc. What all this boils down to is nothing less than a direct financial transfer from the Commission to certain farmers in Ireland and since our Chairman, Sir Henry Plumb, has just said himself in his introductory remarks that these measures will help to alleviate the problem of falling incomes in agriculture we should, I think, call them by their proper name.

Secondly, we should, I think, work on the basis of social criteria and not simply across the board since what good will it do simply to make out a cheque for 50 million EUA or so — which, after all, is not peanuts — and hand it over to Ireland for all farmers to benefit from regardless of whether they are in difficulties or not. The Commission should, I think, finally make it quite clear that what we want to do is help those farmers who are in fact suffering as a result of this situation rather than just throwing money around indiscriminately, so that we can avoid those who are already comfortably off getting even more.

Thirdly, I take the view that the current situation in Ireland is largely due to the high interest rates. In all the discussions we have had with the Commission or which I have personally had with my Irish colleagues, it has repeatedly been pointed out that many Irish farmers have taken out substantial loans for investment purposes which means that the real problem lies in the interest rates in Ireland which are currently very high. Why then does not the Commission submit proposals for interest subsidies for certain farmers in Ireland? Surely something could be done to remedy this situation through agricultural banks or suchlike.

I should like to stress on behalf of the Socialist Group that we have nothing against financial aid to Ireland. Nevertheless, we have certain reservations regarding certain aspects of the programme and urge the Commission to revise its proposals accordingly. We can agree to the amounts proposed but nevertheless feel that these funds should not be taken from the Guidance Section but, as far as I am concerned, from the Guarantee Section, or the Social Fund or wherever you like.

## IN THE CHAIR: MR DE FERRANTI

*Vice-President*

**President.** — I call Mr J. D. Taylor.

**Mr J. D. Taylor.** — Mr President, I should like to rise in support of this proposal to aid the beef industry in the Republic of Ireland and as member for Northern Ireland I support the amendments which would extend the scheme to Northern Ireland.

I must remind the House that we did have a debate in December of last year in Luxembourg, when a motion in the name of the Fianna Fail members, and by myself for the Unionist Party, asked especially for aid for farmers in the Republic of Ireland and in Northern Ireland. The present proposal in its initial stages only referred to the Republic, and I am glad that it is now being extended to Northern Ireland. There has been a dramatic decline in Ulster farm incomes. In 1979 they fell by 53% and last year by 60%. This compares with the lower fall of 33.5% in southern Ireland and 24% in Great Britain. So one can see at a glance that the fall in incomes in Northern Ireland has been the greatest yet quoted; and Scotland is not far behind us.

To put it in another way, Ulster provides 6% of the agricultural output of the United Kingdom, but the net income to Ulster farmers is in fact only 1%. The beef industry in Northern Ireland has declined by one-third since 1975 — a reduction of 33% in the beef herd, and the intensive sector of agriculture, which is something special to Northern Ireland — the pork industry and the poultry industry — has actually declined by 50% since we entered the EEC.

The speaker opposite said that we should take into consideration the social conditions. The social conditions in Northern Ireland are that we suffer from one of the highest levels of unemployment: 17½% throughout the province, and 30% in the rural areas. There is no alternative means of employment for small farmers; and the farmers in Ulster are small farmers. So I would commend this proposal both for the

**J. D. Taylor**

Republic of Ireland and to Northern Ireland agriculture.

My final point is addressed to the Commissioner himself. We have not yet had specific details of how the measure refers to Northern Ireland. We do know that it will be somewhat identical to that already proposed for the Republic of Ireland, but I think he does owe it to the House this morning to give some further details of what is proposed for Northern Ireland and especially if there will be anything for the intensive sector of farming in the province. As he may know, the structure of agriculture in Northern Ireland is not identical to that in the Republic, and there may be some variations needed to apply it specifically to the problems of agriculture in Ulster. I support the proposal.

**President.** — I call Mr Maher.

**Mr Maher.** — I would just like to give a brief background in order that we may better understand the need for this kind of measure. Agriculture is four times as important to Ireland as it is to any other member of the European Economic Community today. It is four times as important. We export per head of the population a greater quantity of agricultural produce than does any other country of the European Community per capita. It is giving employment to 45% of the workforce: that is including those on the farms and those who are upstream and downstream from the farms.

Now those few figures give, I think, an indication — and I have only time to do that — of the absolutely cardinal importance of this industry in a country like Ireland. I believe that that is largely true not only of the Republic but of the North of Ireland as well, and that is one of the reasons why I support the idea of a measure of this kind spreading right throughout the island, because we have to accept, any way, Mr President, that there is not in effect a border that can be manned. There is a border, but it really cannot be manned, and products can flow back and forth. That is one of the problems that we have. If you introduce a measure north of the border and do not do the same thing south of the border, it is bound to have a bad effect on the other side, on whichever side that measure is introduced. So it makes sense in fact to introduce a measure of this kind that will compensate both north and south.

I think also it is interesting to point out, — and I take Mr Gautier's point — that these measures to a large extent would help the income of the farmers but, of course, that is what they are intended to do because of the disastrous situation that farmers find themselves in in our country. That is indeed what we want to do in the short term, because structural measures take some time before they can be of benefit. This is, in fact, a rescue effort to try and put agriculture back on the

track again of expansion. But I think it is interesting to point out that only 2½% of all the farmers, certainly in the Republic, have more than 75 hectares so the vast bulk of these farmers are in fact small farmers.

Now I think there is another reason why I would ask for this measure to be passed. We are in a community of nations and surely if one particular country is in trouble, it has a right to go to its fellows in that community and put its case before them and ask if there is something they can do to help us out of a difficulty. Last year we had the situation of the UK, which pleaded very strongly and very successfully that it had problems and wanted to get a reduction in its payments and contributions to the European Community. That was finally negotiated and Germany and France and the other countries finally agreed that Britain was in difficulties. Here are we making a special case, and I do not like making special cases. Of course it is a pittance from the point of view of the budget of the Community as a whole, but nevertheless it is a help to us and we would be very grateful to get that money because every little bit helps.

**President.** — I call Mr Davern.

**Mr Davern.** — Mr President, I too, would like to welcome this motion and in particular, would like to say to the rest of the members of the Community here, by way of warning, that we have now less income per farmer than we had in 1973. That is not a healthy sign for the Community; it is not in line with one of the commitments that were given.

I would welcome what Mr Gautier has said this morning regarding money which can be borrowed at Community rates. White money can be borrowed here at 6 or 7%, with us, it can be as high as 17% or 18%. I would ask the Commission, if they could not formulate a policy to give the Irish farmers a loan at that interest rate and let the government of the country guarantee the exchange rate. I think this would be something practical and very easy to do — it would not involve a structural measure of any sort.

I also welcome the fact that the Commission and the Council of Ministers have announced their intention to give the same aid to Northern Ireland. This is important because whatever differences there may be between North and South, we are, in Ireland, on the periphery of Europe and indeed we have the same effects from the same problems.

So I would ask that this House pass this motion but also that the Commission look at the problem of interest rates. This is the kernel of it. I believe that farmers can do so much themselves if they have a lower interest rate but unfortunately, at 17%, with an income less than they had in 1973, they cannot help themselves in this situation.

**President.** — I call Mr Blaney.

**Mr Blaney.** — I also would welcome the suggested aids that are before us but I would wish to point out a two-year programme for the revitalizing of beef cattle production, while most laudable, is not realistic against the background of the disastrous three years that have just passed in this particular industry and in the agricultural industry as a whole in Ireland. The income drop over the last three years is probably somewhere in the region of 50 % and, as has already been said by some of my colleagues here, if they consider the importance of agriculture as a whole to the Irish economy then, perhaps, it will be possible for those who are concerned in the Commission, whoever they may be, the Commissioner himself perhaps, to realize just what a disastrous situation we now have got in Ireland as a whole, mainly as a result of this disastrous drop in agricultural income over the past three years, and particularly when we realize that our cattle population in that time had dropped from somewhere over 7 million to somewhere over 4 million. When we try to arrest that situation, to revitalize that particular aspect of our agricultural economy, then realism must enter into the picture and it must be recognized that the two-year programme, no matter how attractive, will not retrieve the situation at all. So I have been suggesting by way of amendment that this should be realistically considered as a five-year and not as a two-year programme. I think it is largely a waste of time to reduce it to a two-year operation. It is not attractive enough to have the desired effect.

Our agricultural exports have been mentioned here. In global percentage figures, they amount to 43% of our total exports. This again highlights the absolute disaster that can come upon us and, indeed, is already with us in Ireland as regards our general economy but more particularly our agriculture. The effort here is directed in a few ways. One would be to enhance the quality of breeding-stock, the eradication of disease, aids of various kinds, progeny testing, etc. And I would make the point here that artificial insemination is being very attractively boosted by the proposed subsidy that would be paid. But since we are talking about suckler herds and beef production, surely we must be realistic enough to realize that we should also try to encourage the keeping of better bulls by farmers who maintain suckler herds, people who, for various reasons that I have not the time to go into here, do not, cannot and will not be availing themselves of artificial insemination. For them it will be natural service by retaining their own bulls with their herds. Can these be enabled to benefit in some way from the artificial insemination incentive that has been mentioned and is in the package? Can this incentive be applied to ensure that a better type of beef bull is available to the suckler-herd owner who would run bulls rather than artificial insemination? That is something that I feel might be done.

As regards the extension of these matters to the six counties of Northern Ireland, I can only say that, as is said in Sir Henry Plumb's report, really the two are the same in this respect. There is no doubt that our problems are very similar, and anything that can help on the one side of the unnatural divide can undoubtedly help on the other. I would appeal to the Commission, not only in regard to these measures that are now being proposed but also to measures that are being applied at the moment, to carry out a very careful scrutiny of the manner in which the unnatural divide which separates part of our island, regarded for various ways as UK territory, from the Republic of Ireland has created distortions that are creating havoc in various ways, within the whole framework of aids to agriculture from the common agricultural policy, so that profits do not go into the pockets of genuine farmers, but rather to the smugglers, who have a heyday every time there is any change. Would the Commission try for greater harmonization to avoid the distortions which not only now exist but may also be created by the application of these new measures, whatever may be their final outcome? Try to get us better harmonization to cut out the distortions, because at present they are playing havoc with, for instance, our meat factories. Much of our stock is going across and being killed in the six-county factories, so doubling the output they had a year ago, while our decline and our unemployment increases, apart altogether from losses in other ways.

**President.** — I call Mr Kavanagh.

**Mr Kavanagh.** — Mr President, previous speakers have said more or less what I would have said, and I can be fairly brief. We debated the crisis in the farming industry in Ireland in December, we outlined the basis of the problem and suggested solutions that the Commission could consider, and I believe the Commission's response to that debate is contained in these proposals. They are very limited; they are very disappointing; and I do not think they will really serve to reverse the trend that has occurred in Irish agriculture over the last two years. Nevertheless, they are welcome, because they are a response.

I was glad to note that when the ministers of agriculture met at the end of March and beginning of April, they too, were aware, that the response was very weak. In a statement they issued, it was interesting to see that they noted the Commission's statement that it would consider other methods of helping to resolve the social difficulties and other problems resulting from the reduction of incomes in the farming sector, which are of particular importance to the Irish economy. It also stated that the Council invited the Commission to study methods of mitigating further the serious income problems at present being experienced by Irish farmers, in particular in the cattle-breeding sector, and submit proposals so that the Council

**Kavanagh**

could take decisions before 15 July. As I say, this statement acknowledged that this proposal by the Commission is totally inadequate in relation to the difficulties being experienced, and therefore we hope that the suggestion made by Mr Gautier concerning a subsidy on interest rates, which, as he said, are really crippling the industry, can be considered between now and July. We look forward to a more adequate response to the problem by that meeting.

About 34 million Irish pounds over two years, as I have said, is inadequate. It is welcome, because it will aid certain sectors of the industry, but I am afraid the response is very meagre. I therefore look forward to the Commission's further proposals and hope that they will redouble their efforts to bring further measures before us after July. Our Group welcomes what is being done, but looks forward to a much more intensive discussion on the problems and a much greater effort to reverse the trend that has occurred in Irish agriculture over the last two years.

**President.** — I call Mr Clinton.

**Mr Clinton.** — Mr President, as an Irish Member of this Parliament, I first would like to thank Sir Henry Plumb, the rapporteur, for his report — it is concise and to the point — and the Commission for putting forward these special measures.

I have to say at the same time that these measures, while welcome, represent an inadequate response to the situation in Ireland's agriculture, not only as it is at present but as it has been over the last two or three years. I was sorry to see quoted somewhere the view of the President of the Commission that he was against special measures, special packages. He said he was against them because this was a common market and he wanted to keep it common. Now, you know, the only thing that is common, so far as agriculture is concerned, is the average price level. After that everything is quite unequal and anything but common. We have, for instance, the different levels of inflation in the various Member States — and we have had a level of inflation of approximately 20% during the past few years. We have different bank interest rates — they, too have been 20% with us. We have different national aids — substantially different aids. We have different MCAs. We have differences in the size of the whole market and in the distance from the market, and with the present energy costs this can have a substantial effect on profit and loss.

The stages of development of the different Member States, the combination of products in the different countries and even the different weather — all these differences make it essential to have special packages. The only way to deal with this situation and to make this market a common market is, in certain regions, to apply special measures.

Now, I have said that the measures before us today are completely inadequate with regard to the situation with which we are confronted in Ireland, but I hope that we can regard them as just a first instalment of a very serious reconsideration of the whole situation in Ireland. In the past year, the wholesale slaughtering of breeding-stock has reduced cattle numbers, as described by Mr Blaney. We have to get cattle back on to the land, because 90% of the land in Ireland is in pasture, whereas in Europe generally it is the other way round: there is only about 10% in pasture. So you can see that we cannot easily switch from livestock.

Mr Gautier, for whose contribution I am also grateful, said that this was all income assistance for farmers. I can say that disease eradication is certainly not putting money into farmers' pockets. In fact, it is taking a lot of money out of farmers' pockets — and I am sure Mr Gautier will understand that — because of the loss of cows with brucellosis and one thing or another of that kind. So that that portion certainly of the package is not an income supplement as such.

As I say, 90% of the land is under grass, and therefore we cannot switch. As well as that, livestock — that is, cattle and beef and milk products — represents practically 75% of the total output of Irish agriculture. I am emphasizing these things simply to indicate how dependent we are still on agriculture in Ireland. I made the case in December, and I said that there were two very important things to give us in a package: a calf subsidy to get cattle back on the land — and they will not be got back on the land overnight, it is going to take a three-year cycle to do that — and the subsidization of bank interest rates down to a level that can be used by Irish farmers. They are the two most essential things, and I hope that when the Commission comes to consider further the situation in Ireland they will bear them very much in mind.

I am very glad to support the extension of these measures to Northern Ireland. I have always supported equal treatment for Northern Ireland with the Republic of Ireland, and I think that this Community can do a lot to bring the sides together, as they should be brought together. It was rightly pointed out that there is in reality no border between them, for whenever there is an advantage on one side or the other the smuggling goes on and cannot be prevented.

**President.** — I call Mr O'Donnell.

**Mr O'Donnell.** — Mr President, I join with my Irish colleagues who have spoken here this morning in welcoming the proposals before the House. Like them, I, too, must express my extreme disappointment at the gross inadequacy of the total response to what is indeed a very difficult situation in Ireland.

The decline in Irish farming over the past two years has been more severe than elsewhere in the

**O'Donnell**

Community, and since Irish farm incomes are well below the Community average, a drop in income affects Irish farmers more severely than others.

Secondly, agriculture in Ireland has a much greater rôle to play in the national economy than in any other Member State. It contributes 17% of the gross national product, while the Community average is 4%. The agricultural labour force comprises 20% of the total labour force in Ireland, while the Community figure is 8%. Agriculture-based industries account for a further 20% of the industrial labour force. Furthermore, exports of agricultural produce account for about 43% of Ireland's total exports. It is clear, then, that the importance of agriculture in the economy is such that the sharp decline in farm incomes affects not only the farming sector but the economy as a whole. The combination of all three factors — the severe decline in Irish farm incomes, coupled with their low level, the exceptional importance of agriculture to the Irish national economy and the severe constraints on the Irish budget — make Ireland a special case. It can be rightfully said that no other Member State is affected by these three factors to anything like the same degree.

Parliament itself has been particularly conscious of the situation in Ireland and in Northern Ireland also. In a resolution last December, it called on the Commission to take immediate steps to deal with the crisis in Irish agriculture.

It has already been said here today that the measures now proposed are for the most part of a structural nature and do not go far enough to alleviate the immediate income problems. I understand, however, that the Commission itself is conscious that additional measures on a broader plane will be necessary to cope with a situation following on the reduction in farm incomes. Furthermore, I am aware that the Council envisages the necessity for additional proposals to assist Irish agriculture, particularly in the livestock sector.

As a very final comment, I would say that I, too, welcome the suggestion of Mr Gautier, which has been referred to by other Irish colleagues this morning, regarding the dire need for an interest subsidy. I support also what my colleague, Mr Clinton, has said, that this is a vital factor, the most urgent need at this moment. The high interest rates are crippling Irish agriculture, and I hope that in the next extension of the package — this is only a first instalment, as Mr Clinton has said — there will be provisions for an interest-rate subsidy, for a calf subsidy and perhaps for a lime and fertilizer subsidy.

We welcome the proposals; we hope the House will approve them. We look forward to hearing much better and much more realistic proposals in the not too distant future.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (DA), Mr President, first I should like to thank both the Committee on Agriculture and the Committee on Budgets for agreeing to deal with this proposal as a matter of urgency and for the speedy work that has been done. It was emphasized by several speakers, not least by the many Irish speakers, that at least today Parliament and the Commission are being informed of the very serious decline in incomes in Irish agriculture. Let me say to the many Irish speakers that it is quite clear that both the Commission, the Council and Parliament are aware that conditions in Ireland are particularly difficult. I do not need to stress either for the many speakers here or for others that agriculture in the whole Community has been experiencing a very difficult situation, but that it is particularly difficult in Ireland because of the Irish economy's great dependence on the agricultural sector. This is also the reason why we have taken initiatives such as the one we are discussing here. I should like to say to Mr Gautier and others who claim that all that is involved is a simple transfer of funds, that there is far more to this proposal than a simple transfer of funds from the Community to the Irish Republic and to Northern Ireland.

There are three measures which can help to improve, rationalize and increase the efficiency of cattle and milk production which are of such importance for the whole Irish economy. The reports I have received, and not least the discussions I have had with Irish colleagues here in Parliament and Irish agricultural organizations have in each case given me the impression that the particular difficulties involved in cattle production, milk production and meat production are precisely those which the Community is trying to help the Irish Republic to solve. As regards Northern Ireland, it is true, as was said, that it is planned to extend the proposals to cover Northern Ireland. This applies to all the proposals with the exception of the proposals on the eradication of cattle diseases, since these programmes to eradicate disease have already been carried out successfully in Northern Ireland. Since these diseases have already been eradicated it is not necessary for this proposal to include such a programme for Northern Ireland also.

There was talk of interest subsidies and also of different inflation rates. It is obvious that interest rates and inflation levels in the various countries also contribute to creating situations which vary for farmers from one country to another. It is obviously natural to raise the idea of an interest-rate subsidy but we must remember that there are other farmers in the Community who pay interest rates which are at least as high as those paid by Irish farmers, perhaps even higher. There are also farmers in the Community who are subject to a higher inflation rate than the average. Therefore when looking at interest rates and the rate of inflation one

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must recognize that it is very difficult for the agricultural policy in the Community to neutralize the effects of the economic policies which are carried out in the various countries using different methods and with varying results. But of course I understand that the problem of interest levels is an important reason why farmers in the Community, at least in several countries, have these difficulties.

The Council and the Commission are in favour of including Northern Ireland in these measures because the same problems exist there. The Council was in favour of the proposals last week when they were discussed and I think that the decision should be taken very soon so that Irish farmers can benefit as quickly as possible from the measures we have proposed. I thank Sir Henry Plumb for his report. I would like to recommend that Parliament approve the proposal.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

#### 8. Fisheries agreement between Canada and the EEC

**President.** — The next item is the report by Mr Gautier (Doc. 1-39/81), on behalf of the Committee on Agriculture, on the recommendation to the Council for a decision concerning the conclusion of an agreement on fisheries between the Government of Canada and the European Economic Community.

I call the rapporteur.

**Mr Gautier, rapporteur.** — (DE) Mr President, ladies and gentlemen, I should first of all like to stress that I am speaking in my capacity as rapporteur of the Committee on Agriculture not as a German Social Democrat and do not intend to adopt any position regarding the specific conflicts which have arisen between the Federal Republic and the United Kingdom. However, I should like to point out that the Committee on Agriculture adopted the report on the agreement between the EC and Canada regarding fishing in Canadian waters with 24 votes in favour and one abstention, which shows that we are able in the Committee on Agriculture to overcome national differences and arrive at solutions which are genuinely in the interests of Community fishermen.

Secondly, I should like to point out that the Council has a habit of consulting Parliament only after it has already decided something. In this particular case, however, it has not consulted us at all and we reserve the right to state our opinion before the Council decides anything. For this reason, we have already produced this report pending consultation.

Thirdly, the agreement with Canada is in effect a framework agreement on which the Committee on Agriculture and Parliament are consulted. The real points of contention, however, were dealt with in the accompanying exchange of letters which we have also, for this reason, included in our report.

I should now like, by way of introduction, to comment on paragraph 2 of our motion for a resolution in which we point out that this agreement could improve and strengthen economic relations with Canada in general. It strikes us as a little strange therefore that the Council of Ministers should give the Commission a negotiating brief, that the Commission should negotiate with the Canadian Government and come to an agreement and that the Council of Ministers should then say, "Oh, all that was nothing! Now we'll link the results of those negotiations to various intra-Community problems". This kind of behaviour jeopardizes the credibility of the Community as a whole as regards foreign policy. If things go on in this way, future Councils may perhaps link a uranium agreement with Canada to the tomato production in Italy. One day, I think, we are really going to reach the point when sensible Community foreign trade policy becomes an impossibility.

Secondly, the Committee on Agriculture would like to point out that the fact that Community fishermen can fish in Canadian waters makes the distribution of catch quotas within Community waters far easier since a catch of 15 000 t cod is a very important factor, particularly for the Community deep sea fleet, as it substantially reduces the pressure on the internal quota distribution. We should also take into account the fact that the agreement provides for the possibility of a quota of even more than 15 000 t cod being fished if the Canadian fishermen do not exhaust their stocks.

Thirdly, we must look into the implications for intra-Community trade of the tariff reductions on imports into both Canada and the European Community, it has frequently been maintained that these reductions would lead to considerable market disturbances. However, the Committee on Agriculture would point out that the actual quantities of reduced tariff imports would represent only a fraction of the total Community imports and consumption. For this reason, we do not see any great problem in this respect.

However, we should like to make a few criticisms regarding the Commission's negotiations. We would have preferred if the tariff quotas for fillets, be it cod or herring, but mainly cod, had not been fixed so high and those for whole frozen fish somewhat higher so that as large a proportion as possible of the import quotas could be further processed within the Community. This point strikes us as particularly important. We should also like to point out that re-opening Community waters for herring fishing will have implications for future negotiations with third countries and that, for this reason, the question of herring fish-

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ing should not automatically be included in tariff negotiations with third countries.

Finally, we would point out that agreements with third countries are also important for investment planning on the part of the fishermen. We in the Working Party on fisheries of the Committee on Agriculture recently held a hearing with Community fishermen who repeatedly pointed out that it was vitally important for them that they should have some certainty as regards the situation. They had to know what they would be permitted to catch within the waters of the Community and those of third countries over the next five years. Probable price developments were also extremely important for them so that they could sensibly plan their investments and fishing activities within the producers' organizations.

I have by chance noticed today that there is an amendment to the framework agreement with Canada, i.e. the additional Commission Document No 81/91 fin, in which an article has been changed — which I find somewhat surprising. We were not able to take account of this in the report and I should therefore like to speak on this point now. It is proposed that the second paragraph of Article 13 of the Agreement should be deleted. This paragraph states that, according to the Agreement, the Community would take over all negotiations with Canada even if bilateral agreements between Member States and Canada still exist. This paragraph was, in my view, sensible and consistent since we assumed that negotiations with third countries were no longer conducted by the individual Member States but by the Community. I simply do not understand why the Commission now wishes to delete this paragraph thus re-opening the possibility for individual Member States to conduct negotiations with third countries with the result that they will no longer be matters for the European Community.

**President.** — I call the Socialist Group.

**Mr von der Vring.** — (DE) Mr President, the Socialist Group wholeheartedly supports the motion for a resolution by Mr Gautier regarding the fishing agreement with Canada. At the request of my Group this House had, as far back as January of this year, already addressed an urgent appeal to the Council to the effect that at least this element of a common fisheries policy should be ratified without delay. Mr President, it is not my intention to place undue emphasis on the conflicting economic interests of individual Member States which have arisen in this connection. Conflicting interests of this kind arise in connection with practically all matters we deal with here and the very purpose of the Community institutions is to find a balance between conflicting national interests. The inability of the Council to agree on the ratification of the agreement with Canada should not be understood as a problem of fisheries policy but rather a devastat-

ingly clear demonstration of the ineffectual state the Council is currently in.

I should like, in view of the non-ratification of the agreement with Canada, to remind you that there are no French, British or German etc. waters. There are only the Community waters which all the fisherman of the Community are basically at liberty to fish on identical terms. If we grant certain privileges or exclusive rights, we do so with a view to ensuring that everyone gets a fair deal and not in order to demonstrate rights of ownership. Fishing in Canadian waters is particularly important for the German deep-sea fleet. However, we should not lose sight of the fact that it was only these rights to fish in Canadian waters which enabled the German fishermen to renounce their right to equal access to the Community waters.

The agreement with Canada is an element which helps us in striking a balance between national fishing interests, and anyone who refuses to support the Canada agreement should also be prepared to agree to higher catch quotas in Community waters for German fishermen. These should have been the alternatives at the Council meeting. The fishing season in Canadian waters ends in April when the icebergs come and the postponement of the ratification of the agreement until after the French presidential elections means that the German deep-sea fleet has totally lost any chance of fishing off Canada in the 1981 season, which represents a loss of a great proportion of its catches for this year. For this reason, the Council, in blocking this ratification, is directly jeopardizing the continued existence of German deep-sea fishing and the processing industry in that country.

In May 1980, the Heads of State and Government of the Community undertook to decide on a common fisheries policy by the end of 1980 and our fishermen relied on this promise when making their arrangements. This was a promise which enabled us to hope that the Ministers responsible for fisheries might be more prepared to compromise than we had come to expect from them. What else should have been the point of an undertaking of this kind on the part of the Council in May 1980? Is there anyone in this House who does not think that the Council has quite disgracefully failed to keep this promise? The government of the United Kingdom agreed to the Council decision in May 1980 in return for the concessions on the so-called British contribution which represented an enormous financial sacrifice for the Federal Republic. In order to be able to finance its share of the British contribution, the Federal Republic was obliged recently to increase the tax on mineral oil substantially. Thus, as from April, every German motorist will be paying 8 Pfennig more per litre of petrol in order to finance the British contribution.

What do you think, Mr President, ladies and gentlemen, the people of the Federal Republic feel, particularly my constituents in Bremerhaven and Cuxhaven,

von der Vring

when on the one hand they are prepared to make a direct sacrifice in the interests of the equitable development of Europe without a murmur and then see the compensation promised in fishing policy refused? What are we to do when they ask how important and enormous the problems were which led to this promise being so shamelessly broken? If these people find out that it is a question of whether or not 30 000 t fish, i.e. a tiny fraction of Community fish consumption, is imported into the Community from Canada, they will be shocked at the scale of the issue and I say, therefore, that this Council is totally unprepared to come to compromises between conflicting interests.

Mr President, these Council meetings on fishing, outside which I too spent a few days between December 1980 and April 1981, have been an object lesson on Europe for German fishermen. They have been a great shock to the people of Germany and have led to growing embitterment and contempt regarding the Community, and a prevalent resurgence of nationalistic feelings — indeed nationalistic egoism. This has direct consequences for the current steel debates in which it is vital that the Federal Republic too should be prepared to compromise in the interests of Europe. How do you think Germany can possibly be prepared to compromise in the current difficult situation in the steel sector if people want to cut our throats over such a small issue? Small-scale nationalism leads to large-scale nationalism and this will ultimately lead to Community being dashed to pieces. The failure of the Council on fisheries shows that even when questions and situations where the existence of thousands of Community citizens depends on its decisions, the Council simply goes off for its Christmas holidays without coming to any decision and leaves these people to their fate, since its ability to compromise has shrunk to negligible proportions.

This failure was the characteristic feature of the summit in Maastricht. This is what the Council looks like in reality. It shows that the Council is incapable of effectively bearing even its everyday political responsibility *vis-à-vis* the people of the Community and there is unfortunately, not a word to be said to excuse them in this respect.

Mr President, there is a German saying to the effect if a fish is rotten, it is the head which starts to stink first.

**President.** — I call the European Democratic Group.

**Mr Battersby.** — Mr President, first of all, I should like to congratulate Mr Gautier on, as always, a most excellent report. The near-unanimous vote in the Committee on Agriculture bears witness to the quality of the work done and the results we have achieved. I should also like to congratulate him on his highly technical and very statesmanlike presentation of his

report. I must also protest against the emotional and inaccurate distortion of facts by the spokesman of the Socialist Group, and I should like him to listen to the facts as I progress.

The quantities in this particular trade agreement are not infinitesimal. Good relations with Canada are, of course, essential to this Community. Forty-five percent of world trade is either by or with this Community, and trade is a major vital component of our political and economic *raison d'être*. Trade agreements with Canada are essential in these relations, but they must be good agreements and we rely on the Commission to achieve the best possible deal it can. However, to agree to imports from Canada of 20 000 tonnes of cod fillets, over 5 000 tonnes of frozen roundfish and 5 000 tonnes of herring butterfly fillets, or 75 000 or more tonnes of roundfish equivalent, for permission to fish for 21 500 tonnes of roundfish at a high energy cost — an agreement which shows a ratio of 3.5 in Canada's favour — is, I submit, not the best we could have hoped for. This provides work for five to ten factory trawlers of the large German type. That is all.

Now, there is an arithmetical error in paragraph 5 of the motion on which I have tabled an amendment and to which I hope the rapporteur will agree. If we take the Community frozen cod-fillet import requirement, based on the 1979 figures given in Annex 3 of the report, at 49 512 tonnes, the 20 000 tonne cod-fillet import from Canada is 40%, not one-half of 1% of our cod-fillet import into the Community. The phrasing of this paragraph 5, as it stands, indicates that our population of 270 million people eat 15 million tonnes of fish. In fact, we eat about 3 million tonnes, or one-fifth of this total. I therefore submit that this particular paragraph should be corrected to reflect the truth.

It is also imperative that, wherever possible, the processing — that is, the filleting of fish — should take place in the Community or on board Community factory vessels, and we must ensure that the processors in Germany, France, Britain and Denmark keep their men in work for when we import fillet, we are importing the labour of that particular sector of the fishing industry. This is the thrust of my second amendment and also of Mr Gautier's paragraph 6.

I have also endeavoured to strengthen paragraph 14. In all matters affecting our fishermen, who are looking more and more to us in this Parliament for help and support and understanding, we must know what is going on before and not after negotiations take place. If we have this consultation before negotiations take place, we shall avoid, as Mr Gautier has pointed out, the need time and time again to attack the Commission for not consulting us in time, and we may also be able to contribute to the debate in the Council through our recommendations and our opinions before these agreements come before them.

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Finally, it is in my opinion essential that a fair common fisheries policy be concluded as quickly as possible, so that all our Community fishermen can have a secure future in a properly-managed market, so that the processors and merchants will know where they are going, so that the consumer can be offered reasonably-priced fish, and so that agreements with third countries can take their proper, balanced place in the overall supply structure of our Community fisheries policy. The European Democratic Group, and I am sure the whole House, wants to see this fisheries policy agreed and enforced as quickly as possible, and so the European Democratic Group will vote in favour of the report on the fisheries agreement with Canada.

**President.** — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

**Mr Blaney.** — Mr President, far be it from me to insert myself between the two heavyweights that have been talking just now, one on the German side and the other on the side of the UK. I don't want to get involved in that at all.

What I would like to say is this that I fully support the idea that the processing up to the point of filleting is something that should not be done outside the Community if at all possible, and that the fish quotas for the EEC fleets represents only one-quarter in terms of actual whole fish of the total amount that will be brought in in the form of processed or semi-processed fish from Canada. More over the duty is so small that I cannot for the life of me see why we should have to incur the cost of collecting it at all. What purpose do duties of 3.8%, 4%, 6% which apply to most of the fish, serve when only a small quantity is subjected to a duty of up to 10%.

Now I have no quarrel with any of these things. As I said, why should we have them imported processed or semi-processed? Why should we accept quotas in Canadian waters which amount to only one fourth of what is being imported into the Community under this agreement? Why should the duties be so insignificant, why should they be there at all unless they are intended to be a regulator, which they have not proved themselves capable of being in the past? Since we have within the Community fishermen whose livelihood has in fact been demolished as a result of imports from third countries, and particularly Canada, we should be very, careful about what arrangements we should now be making with them. While I have the greatest possible sympathy with what has been said here in regard to the German fleet, nevertheless, we have got to try and realize that there are other little fleets, of small craft that are being deprived of their livelihood because of the complete upset that has taken place on many occasions in the recent past as a result of uncontrolled imports from third countries —

uncontrolled in the sense that they are not properly monitored. Although in themselves the quantities may be small, by being thrown into a particular market on a particular day or week, they can cause havoc for days and even weeks thereafter.

I have stressed this in the Committee on Agriculture. I am speaking about it again today in the same tone. I don't agree with what is proposed because I think not enough consideration has been given to the impact of the imports under this agreement, and for that reason I am still against it.

**President.** — I call Mr Fich.

**Mr Fich.** — (DA) Mr President, I should like to express my support for the Commission's proposal on a fisheries agreement between Canada and the Community. Having said that, however, I think it important to make the point that we are not wildly enthusiastic about this arrangement, but we have come to the conclusion that it is essential that we make more progress in the general negotiations on a fisheries policy. It is extremely important that everyone should take note of the fact that, by supporting this proposal, we expect in return that, when it comes to the negotiations on quotas in the North Sea, due consideration will be given to the fact that we were prepared to accept this agreement with Canada at this moment in time.

There are problems here, caused for instance by the fact that not all of Denmark belongs to the European Community. The Faroe Islands do not form part of the Community, and it is within the realms of possibility that Greenland may one day finish up on the outside looking in. Mr Gautier's report makes the point that steps should be taken to ensure that there is not a high level of imports from countries outside the European Community. We should like to stress that we of course agree with this point, but we do not regard this as applying to that part of Denmark outside the Community; there must be special arrangements with that particular region to ensure that we remain viable as a fishing community and as a country as such.

We should also like to stress the importance — as regards the agreement with Canada — of obtaining adequate quotas of salmon for the Greenland fishing industry. We very much hope that reasonable arrangements can be made in this respect, but we are still by no means sure that all the necessary steps have been taken, and for that reason I should like to emphasize this point once again.

In general terms, I think it is fair to say that the fishing market in the Community as such is in a reasonable state. The earning potential is quite good, and all in all, everything looks rosy, except perhaps for the situa-

**Fish**

tion facing fishermen in the UK. But in our opinion, it is not so much a question of prices as much more a structural question, which must be resolved by way of the resources allocated to it. We have therefore accepted this recommendation because we wish to make progress on the common fisheries policy. And let me say that, in our view, it is high time we did. On 30 May last year, it was agreed that the fishing arrangements should be decided on by 1 January 1981.

That deadline has now come and gone, and as we said earlier, a package was agreed on as long ago as 30 May. There were various elements in this package, and we must insist that all the elements be accepted as soon as possible. Should the last elements in the package not be implemented in the near future, we reserve the right to carry out a reappraisal of those elements on which a decision has already been taken.

**President.** — I call Mr Kirk.

**Mr Kirk.** — (DA) Mr President, ladies and gentlemen, as the rapporteur, Mr Gautier, said, no one can blame this House for the failure to establish a common fisheries policy. As we said earlier, this House has on every occasion managed to reach agreement — or at least a compromise — on our attitude to the various elements of the common fisheries policy. As regards the specific proposal we are debating here today — the agreement with Canada — I must admit that I am not exactly over the moon about it. Nor am I very keen on Mr Gautier's report. But in view of the fact that we are obliged to try to find a solution to the problems facing European fishermen, and in view of the fact that one Member State is facing serious problems with its distant-water fishing fleet, we have decided to accept the report and we shall be voting for it.

However, we shall have quite serious problems to contend with if we are not extremely careful about the agreement it is proposed we conclude with Canada. The agreement is bound to have an effect on the whole world market for fish. Canadian fishermen are clearly being subsidized — we see the same kind of thing in Iceland — and these fish will subsequently be appearing on some of the markets which have traditionally been natural export markets for the Community's fishing industry, and will be taking over those markets. For that reason it is essential that we should not allow unrestricted access to our markets for fish coming from Canada and other fishing nations which are currently building up their fishing industries. There must be very strict control of imported fish to make sure that the internal market is not ruined.

It is true that, in some parts of the Community, the market situation is very serious, and I am thinking here especially of the United Kingdom, where some fishermen simply refuse to take boats out — not because they have no right to go fishing, nor because

they cannot catch the fish, but simply because there is no market for the fish. It is for that reason we should be very careful about what we commit ourselves to. I take the view at any rate that this agreement with Canada must be taken into consideration in all the other agreements on what form fishing should take in the Community, and on that understanding we are prepared to accept it.

As regards general fishing policy, we still have a situation in which one Member State is obstructing one of the more fundamental principles of fishing policy, namely the right of access — equal access — a principle which should be basic to any Community fishing policy. I hope the Member State in question will realize before long that if we want to make any progress and conclude all these agreements on structural policy, market policy and conservation measures, and if they are to take the form of a common fisheries policy, we must first of all solve the problem regarding the criteria for access to fishing grounds.

Mr von der Vring from the Socialist Group launched a very violent attack on the United Kingdom, partly because of the attitude adopted by the UK to the agreement with Canada. In the country I come from, we feel that the Germans too have not taken sufficient account of the interests of other Community fishermen in Community waters. The same applies for that matter to France, and I am thinking here of the compromise which was reached on 30 May last year by the foreign ministers, whereby three main elements were supposed to form the basis of a common fisheries policy: the question of historic rights, the question of compensation for the loss of access to third countries' waters and the question of whether the disadvantaged areas of the Community should be given a preferential deal. I feel that the attitude which has been forthcoming, especially from the Germans, in the face of demands for 100% compensation for the loss in third countries' waters of the rights which Community fishermen have traditionally enjoyed in Community waters is an untenable one, and is just as much open to criticism as the attitude for which the Germans criticize the UK Government.

I should therefore like to conclude by appealing to the German, French and British Members to be willing to respect other countries' historic fishing rights, and to respect others' right to carry on their trade. There is therefore an urgent need for some thought to be given to how these historic rights can be enshrined in a common fisheries policy. I hope the Greek fisheries Commissioner will succeed in this task, because there is an urgent need for early agreement to be reached. I hope he will succeed in achieving acceptance of a balanced fisheries policy. I am sure that this House will come up with a positive response and that, if any objections are raised, they will not be from this House.

**President.** — I call the Commission.

**Mr Contogeorgis, Member of the Commission.** — (GR) Mr President, I should like to thank the Committee on Agriculture and its rapporteur, Mr Gautier, for the extremely constructive and well-researched report on the agreement on fisheries between the Community and Canada. The report shows an appreciation of the major importance to the Community of this agreement with Canada, and you will be aware that the Commission agrees fully in this respect. As the honourable Members know, this Community agreement with Canada on mutual fishing questions is part of a wider package of agreements aimed at organizing and planning a common fisheries policy covering all the sectors involved. Among other things, this package — on which the Commission has submitted proposals to the Council of Ministers — includes sectors touched upon in today's debate, such as the organization of the market and the protection of fisheries products within the Community. The proposals also provide for restructuring measures and for the granting of aid to increase productivity in fishing, as well as covering the question of the Community's relations with third countries — among them Canada — and of a basic regulation on fishing methods in the Community.

Unfortunately, despite the efforts that have been made, it has not yet been possible for the Council of Ministers to reach agreement. As you know, the subject was also one of the major items on the agenda for the European Council in Maastricht on 23 and 24 March. The European Council decided to convene an extraordinary meeting of the Council of Ministers responsible for fishing, in order to reach an overall agreement on all the questions involved. The Council met, there was a strong political resolve, and it was established without any doubt that all the countries want to draw up a common fisheries policy as soon as possible, but that there was still a need for certain technical talks between some Member States. These will be held before the next meeting of the Council by the end of the spring. The Commission will provide all possible assistance and will be involved in these talks, so that, in the light of the political resolve which, as I said, exists, the Community can draw up by the end of the spring a common fisheries policy with which to tackle all the problems touched upon — because they are all covered by the Commission's proposals — and so that we can help that worthy group of people, the fishermen, in the Community.

I should also like to point out that the Commission tried to have the question of an agreement with Canada dealt with separately, since we would otherwise lose one fishing season, and this would obviously affect the interests of fishermen in certain countries. Unfortunately, this proposal to deal with the agreement with Canada separately was not accepted, and this specific question will therefore have to be solved within the framework of the decisions setting up a common fisheries policy. As I said, we hope that this will be achieved soon because of the political will

which undoubtedly exists, but I cannot say when this agreement can be expected. I hope the representatives and the Member States will make the necessary effort and show the necessary understanding with an eye to the broader Community interest, so that we can reach this agreement as soon as possible.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

We shall now suspend our proceedings until 3 p.m.

The House will rise.

*(The sitting was suspended at 1 p.m. and resumed at 3.00 p.m.)*

IN THE CHAIR : MR ROGERS

*Vice-President*

**President.** — The sitting is resumed.

9. *Adaptation of the cooperation agreement with Yugoslavia following Greek accession*

**President.** — The next item is the motion for a resolution by Mrs Gaiotti de Biase and others on the adaptation of the cooperation agreement with Yugoslavia following the accession of Greece to the Community (Doc. 1-10/81).

I call Mrs Gaiotti de Biase.

**Mrs Gaiotti de Biase.** — (IT) Mr President, ladies and gentlemen, we tabled this urgent motion because we were convinced of the immense importance of the European Parliament's taking up a clear and precise position on a question such as this which is not only extremely topical and urgent but also decisive for the Community's credibility.

A few months ago we greeted the cooperation agreement between the Community and Yugoslavia as a great political success. From the technical angle, it is a very special agreement in the sense that its economic, financial and commercial clauses allow the two parties to deepen and consolidate their existing relations, in such a way that the agreement has a broad scope, so that it may be implemented progressively on the basis of political needs which will be agreed upon by the

**Gaiotti de Biase**

two parties in years to come. The importance of the political and economic possibilities offered by this agreement was clear to everyone then and is even more clear today.

Yugoslavia, linked to the Community by extremely important interests, is a country which, although European, operates within the sphere of the Mediterranean basin, has a decisive weight in the Balkan balance and, as a non-aligned country, helps to keep the delicate balance between East and West. The position of the Federal Republic of Yugoslavia in relation to Western Europe is therefore characterized by an extremely important and delicate equilibrium. For that reason the Community and the whole Western world must be particularly careful and solicitous — as indeed they have been — to maintain peace and stability in that country.

With regard to economic relations between the two parties, my first remark is that the Yugoslav trade balance with the European Community shows a considerable deficit. This situation is regarded as unsatisfactory by the Yugoslav Republic itself, given that it has very limited possibilities of exporting to the Community. For that reason it is very difficult to improve the trade balance.

The adaptation of the agreement between the EEC and Yugoslavia following Greek accession includes, as is well known, the fixing of a quota for export to Greece of Yugoslav baby-beef. The quantities involved are very significant, because Greece alone imports from Yugoslavia as much of this product as do the nine other Member States. For Yugoslavia, then, it is an extremely important item in its exports. Given the difficulties in the way of Yugoslavia exporting to the Community, it is necessary to allow these exports to be maintained at least at the level of previous years. If this were not the case, the consequences would be very serious for Yugoslavia's balance of payments and economy. They would make even the agreement between Yugoslavia and the Community seem like a bitter defeat. I therefore feel it incumbent upon me to draw the attention of all Members to the need to put the weight of Parliament's support behind the Commission proposal to fix the quota for the import of baby beef into Greece at a level equal to consumption. Such a measure would be in full accord with the political spirit of the EEC-Yugoslavia agreement, the aim of which is precisely to bolster up the Yugoslav economy with a view to consolidating the political links which have developed between the two parties.

At a time when Yugoslavia is encountering very serious internal difficulties, which we cannot foresee but which we have been able to guess at behind last week's events, it would be absurd for Parliament to stand by silently, without making its influence felt, while the Council of Ministers continues to postpone, or find difficulty in reaching, agreements on these matters.

Ladies and gentlemen, there is a tendency among the Member States of the Community to give pride of place to political cooperation and to regard it as more effective and auspicious, more pregnant with future developments, than economic integration. But how can the Community increase political cooperation in a world where the economic crisis, the trade imbalance, the problems of development of economies which are lagging behind, are increasingly a central issue in international relations? We shall not have political cooperation or play a stabilizing role in the world unless we can transcend mundane accounting and a limited view of the future of the world economy and of the economies of our countries.

These are the aims we have proposed in our motion for a resolution on the economic questions. I would also like to draw your attention to an amendment designed to clarify the technical aspects of the motion, which the tablers of the motion ask you to vote on together with that motion. I think that Parliament's initiative, at this time of great difficulty for the Yugoslav economy, bears witness to the consistency of the arguments we put forward at the time of ratification of the cooperation agreement. We feel ourselves to be the guarantors of that agreement's implementation.

*(Applause from the centre)*

**President.** — I call the Socialist Group.

**Mr Hänsch.** — *(DE)* Mr President, ladies and gentlemen, the Socialist Group supports the motion for a resolution and the Commission's proposal for the adaptation of the cooperation agreement with Yugoslavia on the assumption, however, that the amendment to the motion for a resolution proposed by its author herself is also adopted, since this describes the nature of the problem at issue. It also makes Parliament's demands in this respect much clearer than the original motion for a resolution.

I should like to add a few remarks to the points made by Mrs Gaiotti de Biase. We support the motion for a resolution for the following main reasons. Firstly, we think it is vital that the credibility of the European Community should not be put at risk. In the past, we have actually encouraged Yugoslavia to produce more baby beef and it would be bad for the reputation of our Community if we were to start undermining the seriousness and credibility of our commitment vis-à-vis Yugoslavia now that Greece has joined the Community. It is bad enough that — at least as far as we have heard — France and Ireland have apparently spoken out in the Council of Ministers against increasing the Yugoslavian quota and have blocked this proposal. Once again, the French presidential elections would appear to have something to do with this. We deplore this fact, since we are afraid that if things go on like this, the Council will no longer be able to make any vital decisions because of forthcoming elections in

**Hänsch**

one Member State or other. Then the entire Community would grind to a halt!

We know that the Yugoslavs have for some time now been somewhat disturbed at the very slow progress which has been made in the negotiations and the provisional agreement, which was valid until 31 March, has finally expired. We know that the situation which could result from this fact for Yugoslavia would not be in the interests of the European Community either, since the Comecon countries are currently buying up more baby beef in Yugoslavia in order to demonstrate to Yugoslavia where its real friends are, who are the reliable trade partners and where there is real solidarity.

We cannot remain indifferent to all this. Since the Community has increased to ten members following the accession of Greece and extends into South-Eastern Europe, the communication route between Greece and the rest of the European Community passes through Yugoslavia. We should bear this in mind. Above all, the Council of Ministers should take this into account and act accordingly.

**President.** — I call the Communist and Allies Group.

**Mr Gouthier.** — *(IT)* Mr President, ladies and gentlemen, we are in full agreement with this motion for a resolution. As part of the Community delegation we took an active part in meetings with our Yugoslav colleagues. We heard at first hand from them about the series of problems which call for an adaptation of this cooperation agreement. We examined these problems in depth over two days and we are fully conscious of the fact that this problem of baby-beef, which may seem a purely sectoral or trading matter, in fact forms a part of wider needs which are summed up in our view in the need for the Community to commit itself to helping the Federal Republic of Yugoslavia to find full satisfaction in the context of this agreement.

That is why we fully support the spirit and the letter of this motion for a resolution.

**President.** — I call the Liberal and Democratic Group.

**Mr Bettiza.** — *(IT)* Mr President, on behalf of my group and in my capacity as chairman of the delegation for interparliamentary relations with Yugoslavia, I can only agree with the motion for a resolution tabled by Mrs Gaiotti and with what Mr Gouthier said just now.

The February agreements — to go straight to the point — provided for a concession on the levies on Yugoslav baby-beef. This preference provided for the annual import into the Community of 34 800 tonnes at

most. This agreement on baby-beef, and the agreement in general, marked the end of a long dispute with Yugoslavia which had lasted since 1973 and 1975, and which had arisen after the Community had forbidden the import of the only product whose production in Yugoslavia had been encouraged by the Community itself.

And now we come to the Greek problem. Greece imported from Yugoslavia more than from the Community of the Nine. Greece alone imported about 36 000 tonnes of baby-beef. The application of the criteria set by the Community, and always applied in the event of enlargement of the Community, would therefore have led inevitably to increasing the 34 800 tonnes already provided for by the February agreement by a further 36 000 tonnes. The Community has therefore proposed to Yugoslavia an overall amount which I believe to be between 60 000 and 65 000 tonnes.

The council's arguments for maintaining imports of baby beef from Yugoslavia to the EEC at a level which would not take account of Greece were as follows: firstly, that the figure of 34 800 tonnes agreed upon in February already took account of Greece, whose accession was imminent. The Yugoslavs regarded this argument as false. Indeed, the Commission representatives had told the Yugoslavs during the negotiations that the Community would first settle the dispute between the Nine and Yugoslavia and then adapt the agreement — as is our usual practice — at the time of Greece's accession to the Community. Secondly, it was said that the flow of Yugoslav exports to Greece was artificial — a diversion caused by Community vetoes on baby-beef. Mr President, even if this were true, it is equally true that the Greeks were already consuming baby beef, and one cannot blame Yugoslavia for creating a market for itself in Greece, which we do not now have the right to close. Therefore, given that the situation with regard to baby-beef distorts the Community's relations with Yugoslavia in general, given the serious situation in which Yugoslavia finds itself, because of the scandalous behaviour of the Council in renegeing on the undertaking given to Yugoslavia by the Commission, we must bear in mind that the situation in that country has become very difficult recently, in political terms too. There is a political problem, a nationalities problem and an economic problem which, taken together, mean that the Community's lack of attention to Yugoslavia is a slow fuse which could lead to the destruction of a number of things which are also politically important for that country.

Mr President, I conclude my brief and critical speech on the Council's attitude with a few lines written by a very well known Yugoslav journalist:

At the height of the crisis one notes a phenomenon which is to say the least surprising: exports to the West from the Republic of Croatia, the most highly industrialized

**Bettiza**

republic and the leading exporter, have dropped by 36% and those to the third world have dropped by 44%, whereas exports to the Soviet area have paradoxically and suddenly risen by 55%. A similar trend can be perceived also in the other areas. There is anxiety in Belgrade, since it is feared that these are the effects of a subtle Soviet strategy, but Westerners should also be concerned about them.

Mr President, it was in order to arouse this concern that I wanted to make this speech.

**President.** — I call Mr Bournias.

**Mr Bournias.** — (GR) Mr President, we agree wholeheartedly with all the previous speakers, particularly the rapporteur, Mrs Gaiotti, who quite rightly stated that for both political and economic reasons relations between the Community — and my own country — and Yugoslavia will have to be improved. The subject of the agreements between the EEC and Yugoslavia is of particular importance to us Greeks for various reasons: in the first place there is long-standing friendship and understanding between our two peoples in a context quite independent of social differences and political systems.

However, apart from the purely emotional reason, there is also a practical consideration. On the one hand, Yugoslavia links us directly with the rest of Europe, while on the other hand our economies are to some extent complementary. For all those reasons, therefore, I think it would be rather unpleasant if our accession to the Community were to lead to a change for the worse in our relations with our good neighbour. I therefore welcome and approve this initiative, both as a Greek and as a European, because the fact is that Yugoslavia is an essential complement — if only geographically, for the time being at least — to Western Europe, whose only land link with the Middle East, in other words with those countries with which it has traditionally been linked politically, commercially and economically, is through Yugoslavia and Greece.

I shall not go into the technical details, which have in any case been dealt with by the preceding speakers. I should, however, like to take this opportunity to express the wish that, in the course of time, relations between the Community and Yugoslavia will become as close as possible. This will naturally be achieved by speeding up the procedures provided for in the special EEC-Yugoslavia agreement, and particularly by convoking the Council of Cooperation provided for in Article 45 of the agreement, with a view to harmonizing the joint measures called for under the circumstances. I sincerely welcome the fact that three Members from the New Democracy Group were among the joint signatories to the motion for a resolution, which all the Members of the New Democracy Group will be supporting.

**President.** — I call Mr Nikolaou.

**Mr Nikolaou.** — (GR) Mr President, I shall be very brief. There can be no doubt, ladies and gentlemen, that Yugoslavia's association agreement with the EEC needs to be adapted as a result of Greece's accession to the Community. The reason for this is that there are two fundamental bilateral questions between Greece and Yugoslavia which now, of course, concern the Community and not Greece — and I would emphasize that. In view of this, no arrangements can be reached bilaterally between Greece and Yugoslavia, but only between the Community and Yugoslavia — contrary to what some people opposed to the EEC-Yugoslavia agreement might wish.

Quite apart from any differences within the Council of Ministers, the Community, in its talks with the Yugoslav representatives, must consider two matters from the viewpoint of Greece. Firstly, Greece will in future want to be able to import from Yugoslavia the same amounts of baby beef as it has been importing hitherto, i. e. 28 to 35 or 36 thousand tonnes per year. The second problem I should like to touch upon is that the number of permits for transport through Yugoslavia — a question of pressing importance for Greece and for its exports to the Community — must be increased. And without wanting to hide anything, I would say that the number must be increased despite the fact that, in 1980, the Greek authorities — exceptionally — did not utilize 4 000 transit permits because of the much lower agricultural output in Greece that year. Nevertheless, the increase the Greeks are calling for will be justified and not exaggerated, and it must correspond to our increased requirements as a result of Greece's accession to the European Community.

In conclusion, Mr President, I too wish — as a Greek this time — to emphasize that present relations between Greece and Yugoslavia are excellent. As Greeks we have every reason to try to ensure that these relations are not negatively affected through no fault of Greece's.

**President.** — I call Mr Almirante.

**Mr Almirante.** — (IT) Mr President, this will be a brief speech to express our dissatisfaction with the content of this motion for a resolution, which we regard as very limited in relation to the objective seriousness of the problem of economic and trade relations between the EEC and Yugoslavia. The motion refers only to a fact which, although very important, does not match up to the seriousness of the problem as a whole — it refers only to the effects on EEC-Yugoslav relations of the accession of Greece to the European Community.

We think, on the contrary, that it should refer first and foremost to the changed internal situation in

**Almirante**

Yugoslavia, about which we should all be concerned, for if economic relations between the EEC and Yugoslavia do not function well — and hitherto they have not functioned well — and if economic relations between Yugoslavia and the Warsaw Pact countries including the Soviet Union were to continue to develop as they have developed up to now, the present internal imbalances in Yugoslavia could lead to a tragedy which would involve the whole European Community and in the forefront the country on whose behalf I now have the honour to speak. Therefore it does not seem to me that after the events in the Kosovo province and the negative developments in economic relations between the EEC and Yugoslavia, after the failure — which we incidentally foresaw — of the disastrous Treaty of Osimo which was approved by earlier Italian governments despite determined opposition from us and others — indeed there was almost total opposition democratically expressed by the people of Trieste, which is in the front line and which we fear may become once more the front line in representing our way of life — after all this no one can come and tell us that the problem is a matter of baby-beef or even economic relations of some importance, but still of modest proportions in the face of such a serious situation! Let us therefore have the courage to abandon to its modest fate this motion for a resolution which, although acceptable, solves nothing because it fails to take into account the problem of relations between Yugoslavia and the European Community. The European Community should have the courage to tackle this problem. To avoid any misunderstanding, I declare, on behalf of the group and the party which I have at present the honour to represent, that not only are we not opposed to a deepening, improvement and intensification of economic relations between the EEC and Yugoslavia, but we are strongly in favour of it, always provided that it takes place in a context of security — not only economic, but also social and political — for the European Community.

**President.** — I call Mr Markozanis.

**Mr Markozanis.** — (GR) Mr President, ladies and gentlemen, today's debate on the adaptation of the EEC-Yugoslavia cooperation agreement after Greece's accession to the Community is of fundamental importance for my country. Not only did this agreement open up wider prospects for economic relations with Yugoslavia but, more importantly, it formed the cornerstone for relations with that Balkan country which, by reason of its history, its traditions and its geographical situation, is an inseparable part of Europe.

I should like to draw the Members' attention to an introductory remark. The spirit of the EEC-Yugoslavia agreement goes beyond the purely economic aspects and, because of the delicate political balance in which Yugoslavia now finds itself, this agreement

takes on special significance as regards the strengthening of relations between the two sides. I would draw attention to the fact that the decisions to be taken with regard to adapting the agreement after Greece's accession will have political as well as economic implications and may prove to be of fundamental importance for relations with that country — simultaneously Balkan and Mediterranean — which is a member of the non-aligned states and occupies an extremely sensitive position with regard to East-West relations.

As is pointed out in the motion for a resolution, the basic problem in adapting the EEC-Yugoslavia agreement concerns Greece's imports of baby-beef from Yugoslavia. As you are aware, these represent a volume equal to imports of the same Yugoslav product to the other nine Member States of the Community together. You will also be aware that Yugoslavia's balance of trade with the Community has shown a fairly large deficit over the last decade. It must also be emphasized that Yugoslavia's potential for exports to the Community is rather limited, and that baby-beef is in fact one of its main export products.

I should like to make one remark in this context. As has already been pointed out, the EEC-Yugoslavia agreement is the tangible expression of the wish of both sides to strengthen the links uniting Yugoslavia and Western Europe. In this spirit, the Community decided to take steps to provide aid for the Yugoslav economy. This fact is an extremely important element on which the Yugoslav Government relies in its efforts to maintain its particularly sensitive position, not only as regards East-West relations but also as regards tackling the evident problems in relations with the non-aligned states, with important implications for stability in the Balkans and the Mediterranean region.

In view of these considerations, I think it is essential for Yugoslavia to be given the opportunity to export its baby-beef to Greece, since this in one way in which its trade deficit with the EEC can be reduced, and it will provide support for the Yugoslav economy — support based on the spirit of the Treaty of Belgrade. More specifically, in agreement with the signatories of the motion for a resolution, I believe that the volume of imports of this product must not be lower than the level of imports to the ten Member States in 1980.

Furthermore, I believe that we must take into account the fact that Yugoslavia is now situated between Greece and the territory of the other nine Member States, and this therefore raises the question of Community transit through Yugoslavia. In view of this, I feel that, in the spirit established by the Treaty of Belgrade, we must find the solutions needed to enable the Community to be given the transit facilities commensurate with the trade which will inevitably continue to grow.

*(The President urged the speaker to conclude)*

**Markozanis**

In conclusion, I should like to express the view that it is essential, in our efforts to update the EEC-Yugoslavia agreement, to act in accordance with the principles underlying it. Yugoslavia will therefore have to be granted the facilities necessary for it to continue exporting to our markets the quantities needed to limit its balance of trade deficit. On the other hand, in the spirit of cooperation, Yugoslavia must take every possible step to grant the Community the transit facilities made necessary by the latest enlargement.

**President.** — I call Mr Pesmazoglou.

**Mr Pesmazoglou.** — (*FR*) Mr President, I support the recommendations in the report and the remarks of the previous speakers, particularly those of my fellow-Greeks and of Mr Bettiza. The principle of Community preference is of fundamental importance for the operation of the Community. This is a principle which we must therefore respect.

But the Yugoslav case is entirely exceptional. A few days ago during an official visit, I had the opportunity to hear the views of Yugoslav leaders, and they attach great importance to the success of their special agreement with the Community. Hitherto this agreement has not had the desired results, particularly in the case of baby beef to which they attach very great importance. Since this is truly an exceptional case, I therefore support the adaptations — which seem entirely necessary to me — proposed in the report as well as the comments and arguments put forward by those who have spoken so far.

**President.** — I call the Commission.

**Mr Dalsager, Member of the Commission.** — (*DA*) Mr President, ladies and gentlemen, I should like on behalf of the Commission to welcome the motion for a resolution tabled by Mrs Gaiotti de Biase, and I should like to address a special word of thanks to her for her report. The Commission wholeheartedly supports the basic ideas and aims set out in the motion for a resolution.

As long ago as October 1980, we presented the Council with a draft directive concerning the adaptation of the cooperation agreement with Yugoslavia following Greek accession. We pointed out at the time that the additional quota of baby beef from Yugoslavia should be calculated on the basis of Yugoslavia's average exports to Greece over the last three years. It is a well known fact that no agreement was reached on this point because of difficulties in the Council. And that was the reason for the introduction of autonomous arrangements to restrict Yugoslavia to 8 700 tonnes in the first three months of this year, and as the Council of Ministers again failed to reach a decision on

17 March, these arrangements were extended to allow for 5 800 tonnes in the following two months up to 31 May.

Clearly, these continued extensions to the arrangements do not accord with the political obligations the Community has vis-à-vis Yugoslavia. Developments over the past two years, within Yugoslavia and in the other Eastern European countries, have clearly brought out the significance of our political obligations. Our Community, which now comprises ten Member States, must honour the undertakings it has entered into with such an important trading partner as Yugoslavia. I can therefore wholeheartedly support the aims set out in the motion for a resolution, but nonetheless I should like to comment briefly on the arrangements for exports of baby beef from Yugoslavia.

First of all, it must be said that certain agricultural interests were uneasy about the fact that additional quotas might jeopardize the Community's preferential status. In the Commission's view, these fears are groundless. Imports of beef from Yugoslavia, which are subject to a lower rate of import levy, are always effected on the Community's price conditions. I can assure you not only that the price conditions have been respected, but also that, over the past year and for live exports too, the prices paid were higher than those for competing commodities from the Community.

Secondly, there has been some uncertainty as to the precise scale of imports from Yugoslavia. In the first motion for a resolution, Mrs Gaiotti de Biase referred to the actual scale of imports into the Ten in 1980. For a variety of reasons, imports in 1980 were in fact somewhat lower than usual, amounting to some 40 000 tonnes. The average level of imports into the Ten over the last three years has been of the order of 45 000 tonnes per year, 35 000 tonnes of which has been accounted for by Greece. As I said earlier, the Commission takes the view that the most appropriate basis for calculating Yugoslavia's additional quota would be average imports into Greece over the last three years. We have already pointed out to the Council that an additional quota of 30 000 tonnes would be a reasonable solution. I can therefore agree to the first amendment tabled by Mr Bettiza relating to the average figure for the last three years.

I must also make it quite clear to this House that we are obliged to take other points into consideration in this matter before we can commit ourselves to a final figure. In negotiations of this kind, the House must realize that the Commission cannot commit itself to fixed quantities. Parliament must give us a certain room for manoeuvre. The most important thing is that the Council should come to an early decision, and that that decision should be in accord with the spirit and thinking behind our undertakings vis-à-vis Yugoslavia.

**Dalsager**

In conclusion, I should like to thank you once again for the motion for a resolution which is before the House now.

(Applause)

**President.** — I call Mrs Gaiotti de Biase.

**Mrs Gaiotti de Biase.** — (IT) Mr President, just a few words to thank those who spoke in support of the motion for a resolution and to thank the Commission for the precise information it provided, of which we have taken note.

This motion for a resolution has been described as 'limited'. I would like to point out that the urgent procedure was requested a month ago to deal with a specific problem, and personally I feel that urgent procedure is a suitable way of tackling specific and circumscribed problems such as this.

We are perfectly well aware that the problems in relations between the Community and Yugoslavia are of such scope, urgency and seriousness that they must be tackled with more rigorous instruments and methods than a mere urgent motion for a resolution.

Perhaps in an earlier epoch Mr Almirante would have urged us to make war on Yugoslavia. We are pleased that now he agrees with us in calling for greater cooperation.

**President.** — The debate is closed.

The vote will be held at the next voting time.

#### 10. *United Nations Conference on the Law of the Sea*

**President.** — The next item is the joint debate on the motion for a resolution (Doc. 1-6/81) tabled by Mr Johnson and others on the United Nations Conference on the Law of the Sea and the report (Doc. 1-869/80) by Mr Walter, on behalf of the Committee on Economic and Monetary Affairs, on economic aspects of the exploitation of the seabed (Third UN Conference on the Law of the Sea).

I call Mr Johnson.

**Mr Johnson.** — Mr President, I put a resolution down in the last session on this question of the Law of the Sea because many of us were shocked and horrified to see that the United States' Administration had, as it were, changed its mind about the Law of the Sea Conference and about its position on the Law of the Sea.

This draft treaty has now been negotiated for something like seven or eight years. It is a text of something like 172 pages; it is the subject of a very great degree of consensus. The Reagan Administration, literally at the twelfth hour, decided it wanted to review many of the provisions of the Treaty and, in particular, those concerning deep-sea mining. Our information is that this change of position was largely under the pressure of deep-sea mining interests.

So we put this resolution down deploring this last-minute action by the United States, which in effect means that it will be very difficult to achieve agreement on the draft treaty at the present Law of the Sea Conference which is now being held in New York. It is a matter of importance, Mr President. I am particularly glad that this motion can be taken in conjunction with Mr Walter's report. We call, in our motion, for the United States to make an unequivocal statement that it does not intend to repudiate positions which have been the subject of broad consensus. My information, as of this afternoon, is that the United States is not yet in a position to do that so that makes it all the more important I think now that this Parliament and the EEC should get its views on record. The Law of the Sea is one of the most important legal acts of this decade. There is no question about that at all.

The documents before us, of course, include the report by Mr Walter. It is linked with my motion because one of the things which is extremely important at the moment is that there should not be, as far as the seabed is concerned, the kind of grab which we saw in the last century in Africa. Now there is a real danger, if this Law of the Sea Conference does not reach a successful conclusion in New York this session or later this year, that in fact the whole issue will fall apart.

This is important of course not just for the environment, it is important as far as many other matters are concerned — rights of passage is one of the questions — rights of innocent passage, of course, in particular, the whole question of the definition of the zone of economic exploitation and fisheries resources. These are matters of great concern — all bound up in the Law of the Sea Conference. My concern is the environment. If we do not get this agreement, there is a real danger, as I say, of a general grab and a general free-for-all.

We have put down in this group an amendment to the Walter report on the Law of the Sea and I move that at the same time as I speak to my motion. That amendment calls for the Commission to make proposals for a Community deep-sea mining regime including environmental aspects to be applied by all Member States uniformly, such a regime to be compatible with, and complementary to, that proposed in the draft convention.

**Johnson**

What are the facts at the moment? The facts are as follows. The United States enacted unilateral legislation last July. The Federal Republic of Germany, again last summer, enacted unilateral legislation. We have with us today the Commissioner, Mr Narjes, and I believe he was in fact himself in a previous incarnation responsible for that German legislation.

The United Kingdom is now considering draft legislation — it is called the Deep-sea Mining Temporary Provisions Bill — and we are told — though these things are always secret in France — that there is a French draft on the stocks. The danger of all this is that when we have unilateral legislation by four, or five, or six Community countries, we shall see 'flags of convenience' situation as far as the deep sea is concerned, similar to the one we have witnessed as far as ocean transportation as a whole is concerned.

I therefore call for the Commission to undertake — and I hope we shall get some assurances on this point — to introduce a Community régime regarding the question of Deep-sea mining, even if the Law of the Sea Conference does not reach a successful conclusion at this session. It is very important that there should be a temporary provision in Community law and in any case, even if the Law of the Sea Conference Treaty is finally agreed it will need to be translated into law and there is a strong case for common provisions in Community law, particularly where these matters which do affect competition as well as the environment are concerned.

I say no more than that, Mr President. We support the motion by Mr Walter, as amended.

**President.** — I call the rapporteur.

**Mr Walter, rapporteur.** — (DE) Mr President, ladies and gentlemen, this report on the Conference on the Law of the Sea is not an invitation to reopen the basic debate for or against the Conference, Parliament has over the last few years on several occasions adopted positions regarding this basic principle and the main results achieved regarding the international Law of the Sea would also seem to be firmly established apart from the recent move on the part of the United States. I should therefore just like to state the following as my basic principle — this Convention on the Law of the Sea is perhaps the greatest treaty in the history of mankind regarding the distribution of world-wide resources. It may represent a breakthrough towards what many developing countries refer to as a new world economic order and I should like to say against this background that it is deplorable that both the individual Member States and the Community as a whole should have devoted so little attention to this Conference on the Law of the Sea and the Convention over the last seven years.

The reports I have submitted on behalf of the Committee on Economic and Monetary Affairs deals very specifically with the economic implications of the Law of the Sea Conference for the European Community. This Conference, which has been going on for seven years now, has resulted in two main things. Firstly, an international arrangement regarding deep-sea mining under which the exploitation of the resources of the seabed, i.e. the metallic nodules containing nickel, copper, cobalt and manganese, is subject to international rules. A new United Nations authority is to be set up to take charge of the administration of the deep-sea bed and an enterprise is to be set up under this authority which will carry out deep-sea mining. In parallel to this, the new UN authority will issue licences to individual Member States and private undertakings in question must pay substantial fees and put their technological knowledge at the disposal of the enterprise under the Seabed Authority. The total revenue from this project will accrue to all the signatory States of the Convention.

In fact this is all more complicated than I can explain in a few words but it is perhaps clear that the international arrangement regarding deep-sea mining which is being set up here is an attempt to ensure that the exploitation of the greatest remaining source of raw materials, i.e. the sea, does not take place according to the law of the jungle. It is the greatest attempt so far to establish a raw materials policy attuned to the international situation on the basis of a balance of interest between the raw materials producing and consuming countries.

I should like, in this connection, to take off my rapporteur hat for a moment and comment on the proposal contained in the motion for a resolution tabled by Mr Johnson. It should be borne in mind that the intention of the United States to review its position on the Convention relates principally to that section which deals with the new arrangement for deep-sea mining. There can naturally be no objections to a government reviewing its position but the fact of the matter is that the Reagan administration has acted under pressure from a few major American undertakings which have both the capital and the know-how necessary to carry out deep-sea mining independently.

Ladies and gentlemen, in the age of classical colonialism, raw materials were exploited by those who had the necessary capital and military resources at their disposal. The US initiative not only awakened some unpleasant memories of those bad times but is also a bad way of going about international negotiations and is likely to raise doubts about the credibility of the United States in international negotiations.

For this reason, I wholeheartedly go along with the motion for a resolution tabled by Mr Johnson, which is still very cautiously worded.

**Walter**

The main problem facing the European Community as regards deep-sea mining is whether it will be involved in the arrangements. It is important for two reasons that the European Community should be involved. Firstly, it should be remembered that the European Community has considerable responsibilities in the field of foreign trade policy, which is why it is one of the contracting parties in international agreements on raw materials — for example, the agreement on natural rubber of 1979 — and is involved in raw materials negotiations within the context of UNCTAD, e.g. on copper. The agreements on deep-sea mining are similar in nature to an international raw materials agreement. Furthermore, it is significant from the point of view of the European Community that deep-sea mining involves resources on a vast scale which are of enormous importance for raw materials supplies during the next century.

For example, the well-known nickel reserves on the sea bed are five times as great as the known land reserves. In the case of cobalt, the reserves are about forty times as great and in the case of copper about half as great. In view of these facts, the Committee is convinced that the European Community must, in addition to the individual Member States, be a member of the preparatory commission which is to deal with the details of the arrangements regarding deep-sea mining as a continuation of the Conference on the Law of the Sea.

These facts also brought us to the conclusion that the probable results of the Conference on the Law of the Sea as regards deep-sea mining should be taken as a point of departure for a common raw materials and energy policy which does not so far exist, as we see it. Finally, we also realized that we need a Community plan for economic and technological cooperation in deep-sea mining and the economic zones of third countries.

The Committee also supports Mr Johnson's call for a coordination of attitudes on the part of the Member States regarding the transitional period, which may be between six and eight years, and on the question of how deep-sea mining should be carried out.

Individual Member States of the Community have passed or are preparing national provisional legislation to protect their investors. This may lead to distortion of competition and the problem therefore calls for a Community initiative.

The second main result of the Conference on the Law of the Sea concerns the agreement on a new international law regarding the sea according to which about a third of the oceans will be nationalized, which will mean 12-mile territorial waters off coastal States, 200-mile exclusive economic zones and up to 350-mile continental shelves. In this way the 200-mile zones which have already been unilaterally declared by almost 100 States, will be put into an internationally

binding framework. Related to this question is the allocation of national sovereign rights regarding the economic exploitation of these areas. This is of vital importance for the Community too, since, for example, 80% of the world fish stocks and 90% of the known marine oil and gas deposits, are in these regions. Thus, this will not mean an internationally fair distribution of a large proportion of the marine resources but rather that these resources will remain the preserve of countries which already number among the richest in the world or can at least be regarded as 'threshold' powers.

From the economic point of view, two main questions arise for the European Community in this connection. Firstly, will the principles of the Treaties be applied consistently in the exclusive economic zones of the Member States too, and secondly, will there be Community arrangements as regards land and sea transport, environmental and economic policy in these economic zones?

In order to draw your attention once more to the significance of this aspect of the Convention on the Law of the Sea and its consequences for the European Community, I might point out that the total Community exclusive economic zone which will come into being with the new international legislation under this Convention will cover, as things stand at the moment, approximately 3.5 million km<sup>2</sup> of which almost half will belong to the United Kingdom. That represents 10% of the entire area of the sea and the accession of Spain would mean a further 1 million km<sup>2</sup> and Portugal possibly a further 1.8 million km<sup>2</sup>.

These exclusive economic zones are not only the field of action for fishing but also for all those things which come under the general heading of 'off-shore industry' with all their implications for our employment situation and raw materials and energy supply.

We know that, in view of their geographic situations, the interests of the Member States of the European Community differ extremely widely and we also know that the trend towards protectionism in the exclusive economic zones is very great on the part of the Member States. Furthermore, we know that this protectionism might also take advantage of the results of the Convention on the Law of the Sea on the pretext that one of its very aims is the nationalization of the exclusive economic zones.

I should like to make it clear on behalf of my Committee that the nationalization of offshore zones under the international Convention on the Law of the Sea should not be misinterpreted by the Member States of the European Community as an invitation to practice protectionism *vis-à-vis* other Member States and for this reason the Committee calls for the necessary steps to be taken to ensure that Community law also applies in the exclusive economic zones of the Member States.

**Walter**

Whatever applies in the case of fishing in the view of the Court of Justice must also apply in the case of offshore industry and we regret in this connection that the Council of Ministers has at least so far not been able to adopt a clear position on this point. The main issue here is that the provisions of the Treaty regarding freedom of establishment and the ban on discrimination etc. should also be observed and affirmed in these exclusive economic zones.

For this reason, we also call on the Member States of the Community to cooperate in the Community pond in matters of environmental protection, fishing policy and raw materials research, prospecting and exploitation.

Finally, what is perhaps our most important request. The tenth plenary assembly of the Conference on the Law of the Sea is currently taking place in New York. Perhaps the most important issue for the Community at the moment is the so-called 'participation clause', that is to say the question of whether the Community as such can also be a party to the Convention in addition to the individual Member States. Now, when the Conference on the Law of the Sea is meeting in New York, is the time, I think, to reaffirm once more Parliament's previous decisions on this point.

We call for the European Community to be a party to the Convention and for all the Member States of the Community to support and press for this request at the Conference.

Ladies and gentlemen, this treaty will be of decisive significance for a major proportion of raw material supply in the 21st century. The Treaty and the way it is applied in future will have considerable consequences for the North-South Dialogue and for this reason alone, the European Community must be involved in these vital negotiations.

**IN THE CHAIR: MR BRUNO FRIEDRICH***Vice-President*

**President.** — I call the Socialist Group.

**Mr Enright.** — Mr President, to take up Mr Walter's very last point, yesterday I had the great privilege of assisting Willi Brandt in a symposium in Brussels when we were talking about the progress made in the North-South Dialogue. At that meeting I have to tell you that the Counsellor for the United States of America said that the Reagan Administration was very seriously concerned that they should give all the assistance possible to progress in the North-South Dialogue. And yet here we have a situation — and that is why I reserve a special venom for the United States

of America — in which they could practically assist the development of the Third World but a situation in which they are preventing that by their intervention in the Convention. Therefore everything that they are attempting to do at the moment should be strongly refuted by the Community because this is an area where practically the Community and the Third World have very common interests.

Fishing has already been mentioned and I think it is no secret that in West Africa anyway the United States and Soviet Russia are equally acting like pirates with their factory ships. But I think much more important is the deep-sea bed mining which is possible for the African, Caribbean, Pacific and, indeed, Asian countries, where in fact they can, with our technical assistance, exploit their own resources and thereby get the wealth that they need.

Therefore I simply want to say, Mr President that if we are practically talking about a continuation of the North-South Dialogue, about doing something, then we must back wholeheartedly this resolution and ensure that the present blocking tactics of the United States of America cease forthwith and we should give them all the blame they deserve for the way in which they are contravening human rights in this respect because that is what it amounts to.

**President** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr K.-H. Hoffmann.** — (DE) Mr President, ladies and gentlemen, I am pleased that we have the opportunity once more here today to state our views very clearly on the questions of economic policy arising from the third United Nations Conference on the Law of the Sea. Fortunately, the world-level economic significance of this Conference has for a long time been ignored and the Commission and the European Community, Mr Narjes, have, so to speak, been denying themselves for the past seven years. I am therefore grateful to the rapporteur for his concentrated report which will be in the interests of Community cooperation.

The report has appeared at the last minute and I hope that it is not yet too late. We do not know what decisions will be arrived at in the next few days and weeks in New York but I do not think any responsible person could simply disregard and cast overboard the commitments of many years' standing of nearly 160 countries in an international negotiation. The approach adopted by the Conference on the Law of the Sea, i.e. only to submit official texts for the treaty after all the various aspects have been covered, strikes me as noteworthy. Agreement has been reached on this question. This strikes me as very noteworthy and the Community should finally take this seriously. I

**Hoffmann**

think that the report currently before us provides the best basis for this.

The rapporteur draws the attention of the Council and Commission to a very clearly delineated and important area which, according to the views of experts, is exclusively a matter for the Community, i.e. the application of Community law in those coastal areas made available for economic exploitation. So far this Parliament has always taken the view — and this is, I think, also in keeping with what the President of the Commission, Mr Gaston Thorn, said in his inaugural speech — that the Community, represented by the Commission, must be present when matters concerning north-south problems are being discussed and I should like to draw your particular attention to this aspect, since the report deals with these questions.

At any rate, one of the results of the way the Conference has been conducted has been that various groupings have put forward different views which can now be found cheek by jowl in one and the same draft. The Conference papers often deal with individual provisions which will certainly be problematic for one signatory of the treaty or other. However, in our view, this is far from meaning that the United States have the right to go back on certain aspects of this convention. This is an area in which the common will of the States must be manifest.

I should like, therefore, to say to the rapporteur that, in the view of my Group, scientific marine research should really be excluded from the list of arrangements you have submitted and which we otherwise go along with. We are afraid that this could lead to renewed attempts to gain control of the seas, although after the Convention comes into force, anyone wishing to pursue a maritime policy will be legally obliged to accede to the Convention if he wishes to participate in determining future developments in the law of the sea. I think, therefore, that for this very reason the European Community should not only be party to the final Convention on the Law of the Sea, but should also be eligible to be a signatory to it. It should be fully represented in the preparatory commission, the purpose of which is to translate the provisions contained in the Convention into practical terms for day-to-day application.

My Group would like therefore to make quite clear the extent and nature of the Community's activities in this field. The conclusions which the Community should draw from the Conference on the Law of the Sea as regards its own situation basically lead to the economic considerations contained in the Walter report. It is, at any rate, maintained that this is a very hot potato since there is a tendency towards protectionism on the part of the Member States. As the President of the Commission has already said, there is currently a great deal of bickering going on on the European seas which gives free rein to all sorts of national vanities. If

the principle of Community solidarity, as manifested in the strict application of the Treaty of Rome, is undermined, nothing will work in future as regards problems concerning the sea. In this case, the debate on fishing policy would have been simply the starting pistol for a return to nationalism which will gradually chip away and ultimately destroy the Community.

For this reason, I think we can and must go along with the rapporteur, since in his report he clearly opposes a policy of this kind and indicates clear guidelines. I therefore urge you to support a common effort. We are quite capable of arriving at a European policy on the sea and we must take advantage of this fact as regards both economic and transport policy. My Group supports the report before us.

**President.** — I call the European Democratic Group.

**Mr Battersby.** — Mr President, of course, deep-sea mining is very big business. It is because of the high exploration and development costs involved of over 100 million dollars per seaside operation and initial extraction costs per sea site of 500 million dollars or more — this is at 1976 levels — that this business is concentrated in four major United States-Community-Canada consortia and in one French group. It is an industry where by the year 2000, if we begin extraction in 1990, 63% of the world's cobalt, 13% of its nickel and 2% of our manganese and copper could be obtained by nodule exploitation. It is a business which could approach 10 billion dollars a year in potential.

The United States estimates that by the year 2000, 35% of this industry could be operated by United States companies, and therefore it is essential, in order to guarantee our strategic security and economic independence in this area of mineral supply, that the Community has its proper share in the extraction and processing capacity; that Third World interests are protected and that the Community as such participates in the United Nations' Law of the Sea Conference negotiations as a member of the preparatory commission.

The last word in this vital business must not be left to industrial lobbies and it is to be hoped that the United States Government will resist the pressures on it from commercial interests to delay or go back on agreed positions. Since 1960 the United States Government has had a respectable and honourable reputation in these negotiations and has played a major role in achieving the present advanced positions and we must encourage the new Administration to continue in this tradition. This Law of the Sea Conference covers much more than manganese and associated nodule extraction; it covers freedom of navigation; marine environment; fisheries; marine research; overflight rights; cables; pipelines and a mass of other vital interests. It is

**Battersby**

an area of international law and of international life which urgently needs a firm legal base and I urge that all Member States coordinate their attitudes on all marine matters; work as a Community and show the necessary political will both inside our own waters and on the high seas, and also that the Community takes part as such in the United Nations negotiations. My group, the European Democratic Group, supports wholeheartedly the resolution before us.

**President.** — I call the Communist and Allies Group.

**Mr Ippolito.** — (*IT*) Mr President, ladies and gentlemen, the short time allowed me by the Rules of Procedure does not permit me to deal with the problems related to the economic aspects of the exploitation of deep sea mineral resources with the necessary fullness. In expressing my agreement and that of the Italian Communist and Allies Group with Mr Walter's report, I must, however, also stress the important statement of view contained in the motion for a resolution tabled by Mr Johnson and others, underlying which is the justified fear that the United States of America may take a considerable step backwards in practice from the declaration of the United Nations General Assembly which proclaimed deep sea mineral resources to be the common heritage of humanity.

I have already reaffirmed in less august surroundings, and now wish to reaffirm here, our grave concern at the fact that while the Law of the Sea Conference drags on wearily, slowed down by a series of procedural or technical expedients, the large multinational mineral corporations are hastening to perfect the sophisticated technology necessary for exploiting the metallic ores and other mineral resources of the ocean bed, and are taking *de facto* possession of the most promising areas, already explored and identified under the hypocritical cover of scientific research, as in the ocean cruises of the ship *Glomar Challenger*. As the Walter report rightly stresses, the Community cannot remain inactive in the face of this situation, and therefore must first and foremost act politically to avoid increasing delays to this Conference while the coastal States unilaterally extend their exclusive economic zones, which ought not to exceed the limits — easy to identify geographically — of the continental shelf.

Alongside this political reaction, the Commission should also respond to the urgent call contained in the Final Act of last January's Bogotà Conference and undertake practical and unified action, by rallying the industries and mineral corporations of the Member States and undertake joint exploration operations and technical improvement. In my view it is essential that Parliament should monitor the Commission's action or failure to act, since a great deal is at stake. Indeed, there is no doubt that the Community lacks raw materials, and particularly non-ferrous metals, to the extent of more than 75% of its current needs, and that

the exhaustion of the already known continental deposits, at least for some elements — such as nickel, molybdenum, manganese, chrome and copper — makes the need for exploitation of deep-sea mineral resources urgent, even for the last 20 years of this century.

**President.** — I call the Liberal and Democratic Group.

**Mr Calvez.** — (*FR*) Mr President, I greatly appreciated the report by our colleague, Mr Walter who particularly stressed the European Economic Community's competence in trading policy and asked Parliament to call on the governments of the Member States to do everything they can to ensure that the Europe of the Ten is a contracting party to the Convention, so as to guarantee to it the same rights and duties as the signatory States. Allow me to express the Liberal and Democratic Group's support for this request by our rapporteur, in the hope that it will meet with a favourable response from Parliament. The European Community is indeed competent to participate in the work of the preparatory committee. Parliament must proclaim this boldly. Let us give the Community grounds for hope. The new law of the sea, given its implications for various sectors of Community activity, must be regarded by Parliament as the starting point for a Community policy on raw materials and a Community energy policy, both of which have been raised many times here. Is that what the Committee has in mind, particularly as the rapporteur spoke of the creation of a new international economic order? And we are well aware of the obstacles to solution of problems related to the common fisheries policy. Three months of 1981 have already passed and the ministers are still discussing it. How much more time will they need to arrive at a fair compromise? It is the credibility of the various European Councils of Ministers which is at stake for all those who are affected by the negotiations on fisheries. This European Parliament elected by universal suffrage cannot allow such a situation to continue. In spite of the existing difficulties, decisions must be taken in the general interest. A European maritime policy must allow us to cover all the questions relating to the sea, from the exploitation of deep sea nodules, drilling for gas and crude oil to the development of aquacultural enterprises, rules for navigation, the fight against sea pollution and the question of pleasure craft. Maritime Europe must form part of a worldwide whole. This is a new and last opportunity given us by the motion for a resolution before Parliament, which must demonstrate its will to defend its legitimate interests on all questions relating to the sea in negotiations with third countries. It seems desirable to me to intensify consultation between the Community and the United States in order to settle remaining differences and guarantee the future of international arrangements. In this Parliament we are rather accustomed to the

Calvez

changes of mind mentioned by the rapporteur. I think we should avoid any kind of pressure on political decisions wherever they are taken.

The creation of an international deep-sea authority is one of the most significant innovations for the development of the law of the sea. It must be put into practice. Four years ago it was the subject of a report by our friend, Mr Bangemann. Progress is slow but relatively effective. It is our tenacity and perseverance which must encourage the Member States to organize economic and technological cooperation in the field of the exploitation of deep-sea mineral resources and in the economic zones of third countries. Will the Walter report enable us to achieve a new stage in European integration? That is what we hope it will do.

**President.** — I call the Group of European Progressive Democrats.

**Mrs Weiss.** — (*FR*) Mr President, as all the speakers have said, the conventions now being drawn up in Manhattan relating to the surface as well as the depths of the sea will change human destiny — and not only human destiny, but also that of the fish which are so essential to us. It was therefore essential for Parliament to be aware of the complexity of the problems involved. Mr Walter's report, Mr Vié's legal opinion and the recent motion tabled by Mr Collins have analysed them remarkably well. The European Progressive Democrats Group on behalf of which I am speaking, therefore voted in favour of an urgent debate on the motion for a resolution tabled by Mr Johnson and a large number of others. It is indeed urgent for the close cooperation on these matters which has hitherto existed between the EEC and the United States to be safeguarded.

But, with regard to the essence of the motion, it seems that its tablers are inadequately informed about the debate currently going on at the United Nations, and that perhaps they have got the wrong idea, albeit in good faith. The United States led by President Reagan has in no way sabotaged the third Law of the Sea Conference, as has been claimed in the press and elsewhere. On the contrary, many points settled earlier are not disputed by them — they are not going back on the general provisions on territorial waters, exclusive economic zones, archipelago waters and passage through straits — all of which provisions also have the complete agreement of our Community. But, in the interests of the industrialized countries and therefore in that of the EEC, they are asking for thought to be devoted to the exploitation of international deep-sea resources, which it is intended ultimately to entrust to an international authority depending on the United Nations and created in its image. This would mean, for the purposes of exploitation of deep-sea resources, each country submitting to the authority of a sort of world government with an Assembly, a Council and

even industrial undertakings for which the industrialized countries would, as they do for the United Nations, bear 90% of the operating costs and investments, but without having an influence on it and a power of decision in proportion to their expertise and their contribution. Indeed, this plan for a world authority carries definite risks for the whole Community and all nations, and must be circumscribed by the guarantees called for by the industrialized countries, who do not want to enter lightly into an enterprise which could become demagogic and disastrous. Alas, history offers many examples of such enterprises.

Our group has the duty to draw the attention of Parliament to these risks. The Community must obviously make its presence felt as such wherever the law of the sea is drawn up. But in the meantime it should realize that in Manhattan the United States are in close contact with the European delegations to the Law of the Sea Conference, and that the latter are in favour of the Reagan Administration's attitude. First and foremost, Parliament must obtain precise information on these discussions and on American intentions. It would be desirable to have amendments which would take account of the most recent developments in deep-sea technology, and the results of which would be compulsorily combined with provisions confirming the solidarity of Parliament with the countries which are most disadvantaged in terms of their geographical position or the present state of their economies.

Parliament will therefore have to go on concerning itself with the protection of the environment during undersea operations and with the distribution of the profits thereof — a distribution which would have to be fair in order to ensure the progress of the whole human community and — if I may so put it — for the sake of the fish community. Meanwhile, the only attitude which it seems possible for us to take, while thanking Mr Walter for his remarkable report, is to reject totally the motion tabled by Mr Johnson and others.

(*Applause*)

**President.** — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

**Mr Skovmand.** — (*DA*) Mr President, the Walter Report calls for the European Community to become a contracting party to the Convention on the Law of the Sea. That is something we must certainly oppose in the grounds that any such commitment on the part of the Community would have widespread repercussions. Should ships from the Community sail under the Community's own flag? Should fishery inspection vessels fly the Community flag? No, the Community is still made up of independent and sovereign States

**Skovmand**

despite the presence in this House of those who wish things were different. We shall have to vote against.

**President.** — I call Mr Bournias.

**Mr Bournias.** — (*GR*) Mr President, ladies and gentlemen, the motion for a resolution signed by Mr Johnson and others and Mr Walter's report on behalf of the Committee on Economic and Monetary Affairs are of major importance. I should like to congratulate them, and I cannot omit to congratulate also Mrs Weiss, who has just spoken, on her excellent speech. The conference which started on 9 March and is still going on is the eighth session since the Third United Nations Conference on the Law of the Sea started its work in New York on 3 December 1973. This time again, as in the preceding conferences, there can be no optimism about the results because of the lack of agreement between the participants and because of the intention of the United States to review its attitude towards the draft treaty, with particular reference to the provisions governing the deep-sea mining of valuable minerals such as manganese, cobalt, nickel, copper etc. The motion for a resolution is understandably concerned about this aspect. It is true that the framework agreement reached under great difficulties in Caracas — increasing coastal zones from three to twelve nautical miles, establishing economic zones of 200 nautical miles from the shore, with the coastal States having exclusive rights of exploitation for the resources within these zones, and the declaration of all seas outside national control to be the common heritage of mankind — created many and serious problems regarding the extent of the rights of the coastal States, so that there is a need to maintain the close cooperation which has existed up till now on this subject between the EEC and the United States.

As a coastal State, Greece was greatly concerned by this new turn to events, which jeopardizes the international maritime regime and all that has been achieved up till now in the field of research and exploitation of the sea bed, rights of passage, protection of the marine environment and so on. We therefore support the motion for a resolution calling on the Community to join with the United States and the other interested countries in striving to achieve the most successful possible outcome to these talks on the law of the sea, on which so many attempts have been made since 1 November 1967, when the subject was first put to the General Assembly of the United Nations.

In conclusion, Mr President, I should like to make a few remarks on the opinion of the Committee on Agriculture contained in Mr Walter's report. Under the heading 'Exclusive economic zone', the second paragraph states that the economic zone is divided up into national zones for the exploitation of natural resources. This statement must be wrong, since the economic zone belongs wholly to the coastal State and

is not subdivided into national zones. This is something which must be clarified. Furthermore, under the heading 'Continental shelf' it is stated that this concept dates back to 1958. This is wrong — it dates back in fact to President Truman's time in 1945, and all the 1958 Geneva Convention did was to embody the concept in established law. And finally, in the passage under the heading 'The high seas', the second paragraph talks about an international authority empowered to issue licences for exploitation. The truth is that only the international sea bed — and not the high seas — will be subject to supervision by a higher authority.

**President.** — I call Mr Collins.

**Mr Collins.** — Mr President, first of all I would say on behalf of the Socialist Group that we shall support the Walter report. While the economic and strategic aspects, which have been covered very largely by most of the speakers until now, are undoubtedly important, I want to turn to some other aspects, and in particular the environmental problems which are inherent in deep-sea mining. I commend Mr Johnson's amendments, because I think they insert the right kind of emphasis into the report.

My starting point, and that of anyone who is concerned about the environmental problems here, has to be the state of our knowledge of the deep-sea bed, because the fact is that we know very little about it. We are beginning to find out, but really we are only discovering the depths of our own ignorance so far. A very recent paper by a Dr Errol, of the California Academy of Sciences, has put it very graphically. She has asked how much we should know of Washington or other terrestrial areas if we applied the techniques of deep-sea exploration to the land. Imagine, she says, flying overhead in a fog, lowering scoops and nets to gather whatever we could blindly catch. Fragments of trees and bushes would come up; a chunk of a building; a bewildered dog or a robin all in a jumble. And from that we should have to construct our view of what was there, on the bed of the ocean or, as in this case, Washington.

In the deep sea we are gradually discovering that there are new forms: there are new creatures; there are new resources; there are things of interest; there are things of aesthetic value; there are things of economic value; and if we do not take care of these things, then perhaps they will be lost for ever not just to us but also to future generations. We must take very great care, at national Community and indeed international level; we must reject the kind of narrow chauvinistic view that was put by our Danish colleague just a few minutes ago, because there is no question that in recent years we have seen a clear trend towards cynical exploitation without regard for the interests of the environment, with regard even for the interests of Third World countries that my colleague Mr Enright

**Collins**

mentioned a few minutes ago. All of these trends are engendered by large-scale mining interests operating in international consortia, putting pressure on governments. We must therefore condemn the United States for its irresponsible attitude at the Law of the Sea Conference; but we must also be careful to recognize that Japan, Germany, the United Kingdom and Belgium have all been engaged in producing laws which will allow them to carve up the ocean bed without regard for anybody else. In fact, I would say that our newspapers and television stations in the Community have let us down very badly in this. It is as though we were back in the nineteenth century and the nations of the developed world were carving up Africa all over again while the media were sitting in another room disregarding what was going on, fiddling while Africa burned. We are indeed now fiddling while the ocean bed is exploited, perhaps to the point of destruction. I hope this debate will serve to focus the attention of the media on what is happening to the seabed, so as to produce a greater public awareness of the problems.

I not only commend Mr Walter's report and Mr Johnson's amendments, and indeed his initiative in putting down his motion for a resolution; I would say that we have to get to the point where the Council and the Commission are able to initiate scientific research to establish the character of the marine environment, of the ocean bed and its susceptibility to the problems that deep-sea mining will undoubtedly produce. The Council and the Commission must try to ensure that any agreed régime for deep-sea bed mining will provide for the establishment of marine conservation areas in which no mining operations may be carried out at all. We must press hard for this at international level, and we call on the Commission and the Council to do so on our behalf. We must also make sure, *via* the Council and Commission again, that pressure is brought to bear on our own Member States to ensure that none of them becomes a party to any régime for deep-sea bed mining, whether global or regional or on any other scale, which does not take due account of the need to protect the marine environment.

The Socialist Group will support this report, because it believes, as I think do many other people in this Parliament, that only if we take responsible action with a proper regard for ecology, with a proper regard for the economic and political interests of all nations in the world, whether they have established mining interests or not, only in that way can we hope to leave a world when we disappear that is fit for our children and future generations to live in.

**President.** — I call Mr Nyborg.

**Mr Nyborg.** — (DA) Mr President, I shall be very brief. A lot has been said, and we have heard many wise words, but there are a few things I should like to

draw your attention to. Like everything else, there are two sides to the law of the sea, that is to say, rights and duties. It seems to me very important to point out this latter aspect, because at a time when it is already possible to carry on deep-sea mining or drill for oil on the sea bed, we must ensure that it is possible to bring to light and perhaps even institute legal proceedings against those who are legally responsible, should such activities lead to pollution or some other form of environmental damage.

In view of the fact that the Member States of the Community have relinquished such rights to the Community in a number of the fields the UN Conference on the Law of the Sea is discussing, it seems to be sensible for the Community to become a contracting party to the Convention. I would draw the House's attention in this respect to the Community's responsibility for Community waters, a responsibility which, let us hope, will be extended as soon as possible by all the Member States agreeing on a common fisheries policy. It is important that all the Member States should strive to adopt a common stance in this matter, so that, by bringing our combined influence to bear, we can back up the United States on the line it has adopted so far at the UN Conference on the Law of the Sea, and to ensure that many years' work is not wasted.

**President.** — I call Mr Katsafados.

**Mr Katsafados.** — (GR) Mr President, I think we must congratulate and thank both the Committee on Economic and Monetary Affairs and the rapporteur, Mr Walter, for the good work they have done on the undoubtedly difficult question of the economic repercussions and aspects of the exploitation of the sea-bed. Apart from any reservations one may have on the various questions involved, it must be admitted that both the committee and the rapporteur have made an effort to approach the whole subject in a spirit of objectivity, broad-mindedness and European solidarity. In general, the report is a fairly satisfactory and realistic mixture of the various diverging opinions on the monetary, economic and legal aspects involved. In view of the lack of time, it is not possible for me to go into a detailed study and analysis of all the points in the report and the motion for a resolution, so I will limit myself to a few remarks which I shall make very briefly, since some of them have already been made by my colleague, Mr Bournias. I think the rapporteur, Mr Walter, will agree with these remarks if he listens to them carefully.

In the report and the attached opinions of the committees on Agriculture, Legal Affairs and Transport, it is stated under the heading 'Continental shelf' that this concept dates back to 1958. This is wrong. The fact is that the continental shelf as a serious political, economic and legal concept dates back to 1945, when it was

**Katsafados**

first mentioned by the then President of the United States, Mr Truman. Even before that, it had existed as a concept in science and international law ever since technological progress had made it possible to exploit the sea-bed for the benefit of mankind. In paragraph 2 of the chapter on economic zones it is stated that the economic zone is divided into national zones for the exploitation of natural resources. This formulation is, however, wrong and must be the result of an oversight, since the economic zone belongs wholly to the coastal State and cannot be subdivided into smaller zones. Finally, the second paragraph of the passage on the high seas speaks about the setting up of an international authority to be responsible for issuing licences for exploitation. Here again, there must be some mistake. This international authority will be responsible only for the sea-bed, and not for the high seas, since there already exists an established system of law for the high seas, and the right to free navigation is an established and inviolable principle.

Before I conclude, Mr President ladies and gentlemen, I feel it is essential to draw attention to the Community's dependence as regards energy and raw materials — a dependence which has become so very expensive in the last few years — and to the opportunity to resolve this problem by changing over to sensible exploitation of the sea-bed. This change-over and this exploitation, however, will require the unification of the economic potential of the Community, and I feel that this is something it is high time the Community got round to doing.

Mr President, ladies and gentlemen, let me conclude with the hope that this entire question will be tackled by all those involved in full awareness of its enormous importance, of the major problems it poses, and of the pressing need for evidence of a spirit of cooperation.

**President.** — I call Mr Plaskovitis.

**Mr Plaskovitis.** — (GR) Mr President, the motion for a resolution tabled by Mr Johnson and others essentially reflects the concern which we Greek Socialist Members of PASOK also feel in face of the negative attitude of the United States towards the draft convention and the results achieved up to now by the Maritime Law Conference being held under the aegis of the United Nations. In this respect — and in this respect only — paragraph 1 of the motion for a resolution has our support. The Conference on the Law of the Sea could undoubtedly offer effective and broadly acceptable rules for international legislation on delicate questions such as the exploitation of the environment etc.

In the course of the long years of talks on these questions, it has become clear that there is a wide range of opposing interests, particularly between the coastal States of the Third World and the technologically advanced States. In our national parliament, we Greek

Socialists had supported moves to ensure that the rights of third world countries to their underwater mineral resources were respected, and we are totally opposed to any hand-over of these resources to monopolistic or oligopolistic private concerns. In 1958 the Geneva Convention had provided fair and widely acceptable solutions to the question of the exploitation of underwater resources. The Conference on the Law of the Sea had made some progress, and there were encouraging signs that we were getting near to a final and universally acceptable result. To the extent that Mr Johnson's motion for a resolution and Mr Walter's report are aimed at encouraging attempts to achieve this final result as soon as possible and at obliging the USA to follow the same course, we are in agreement. However, we have serious objections to the remaining points in the Walter report, particularly where it calls for the EEC to be accepted as an equal partner in the talks. In our view, this demand has no legal or political foundation. The EEC does not constitute a sovereign State, and only sovereign States can be involved in drawing up the law of the sea. Moreover, as is admitted in the Walter report, the ten countries of the Community do not have a common policy, a common stance. How then can we call for the Community to become an equal partner with sovereign States in these talks? We disagree with this line of thought, not simply because of PASOK's fundamental anti-EEC position, but also because it will undoubtedly provoke serious reactions among third countries. To what extent the Member States of the Community intend to cede some of their rights to the Community, if and when these rights have finally been prescribed by the new law of the sea, is another matter. However, to ask beforehand for the EEC to be admitted as an equal partner of the United States is unacceptable when we do not have a joint stance. Nor would this even lead to an acceleration of the talks, as one might conclude from a careful reading of the Walter report. For these reasons, Mr President, the Greek Members of PASOK will reject the Walter report.

**President.** — I call the Commission.

**Mr Narjes, Member of the Commission.** — (DE) Mr President, ladies and gentlemen, I should like first of all to thank Mr Walter, Mr Collins and Mr Johnson on behalf of the Commission for their vital contribution to this exceptionally difficult agreement and the problems involved. They have substantially contributed towards making the voice of Europe heard more clearly in the rest of the world than in the past in the current particularly awkward phase in the Conference on the Law of the Sea and the Commission is grateful to the European Parliament for this.

These reports follow many previous contributions in drawing attention to and clarifying a complex of subjects which have implications for not only European policy as such but also foreign policy and, in

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particular, raw-materials policy, the importance of which is, as we see it, generally underestimated by the general public. Perhaps it is because the conference has the misleading name of the Conference on the Law of the Sea, which might lead one to suspect that it only dealt with legal matters. In reality, it is a conference which is unprecedented in the economic and political history of mankind, since it concerns the distribution of sovereign rights over a larger area of the globe than the total land mass. Far more sovereign rights are being distributed than those claimed anywhere by the colonial States in all the phases of colonialism. This is why it is so important. We should not see just the water.

In view of the technical possibilities open to us today — and which will certainly be even greater in the future — we should rather bear in mind that our technology is adequate to permit access to all the resources of the seabed and we should not work on the basis of the present situation, but on the basis of what the situation will be in ten, thirty or fifty years. From the technological point of view, this is an area which will be of no less significance than space travel.

In view, therefore, of our experiences over the almost fifteen years which have passed since the first preparations for this Conference, I should like to point out that marine geologists revise their picture of the situation almost every four or five years. Back in 1967/68 no one was discussing the things we now know about the geology of the seabed. At that time, we perhaps knew that there were ferromanganese nodules but nowadays research is being carried out to ascertain the amounts of natural gas of non-fossil origin in all parts of the seabed and the extent to which this changes the entire gas supply situation at world level. Today, we know that there are quite considerable bauxite and ferrous metal deposits under the seabed and that the extraction of these deposits depends only on the costs involved, i. e. it is only a matter of time. Today we know what amounts of heavy metals we can extract from the seabed. We must take all these facts into account when forming our opinions so that in drawing up a convention which will be in force for generations we do not work too much on the basis of the present situation.

I should now like to turn to a number of subjects which have been discussed on the basis of the motions for resolutions. I will begin with Mr Walter's report which I can generally speaking wholeheartedly go along with. However, I do not entirely agree with some of the details of his introductory speech. We should, I think, carry out a very careful analysis of the various interests he mentioned. 40% of the total area under water which is to be divided up in this Conference belongs to about 25 countries, and half of it to Third World countries, in particular Latin America. This represents about 10 to 15% of the developing countries. 85% of the developing countries will go away empty-handed or at least with very little from

this distribution of the sea on the basis of exclusive economic zones.

On the other hand, however, they will have the consolation of deep-sea mining rights. However, the provisions regarding deep-sea mining contained in Chapter 11 are such that one may well wonder whether anything will come of this in this century since the vast amount of red tape and costs which these provisions involve — regardless of who is actually carrying out the mining, the Seabed Mining Authority or licensed undertakings — will act more as a deterrent than as an incentive to exploit the seabed. This is particularly true in the case of the difficult — and in my view unnecessary — problems arising from the proposed profit calculation. Easily calculable royalties would probably produce a better effect. In view of the way things stand, since the vast majority of developing countries cannot expect to gain anything whatsoever from the distribution of resources in the coastal area, i. e. in the exclusive economic zones, and will not make a penny out of the deep-sea mining allocated to them before the year 2000, I really wonder whether the Convention will, in fact, be as beneficial to the developing countries as they hope. I am merely mentioning this question and make no attempt to predict how you and they will answer it in future negotiations. I should merely like to sound a warning against a hasty and over-emotional approach to the north-south question which in reality has nothing to do with the actual interests at stake and the distribution of resources.

Another aspect of the debate which I should like to take up is the situation as regards the environment. The legislation which has been introduced in the meantime in the United States and Germany and which is being considered in other Member States aims basically at one thing, i. e. to establish legal certainty or a safeguarding of rights during the anticipated ratification period which — as has been rightly said here today — may last six to eight years or even longer, we do not know. Nobody can say at this stage whether it will be possible in the 1980s to achieve the quorum of ratifications necessary to translate the results of the Conference into practice. However, if we are to be able to exploit the seabed resources in the relatively near future, those who are in the position to and wish to exploit them must also be certain as regards their legal position as otherwise they could not risk any investments — which nowadays are certain to be in the order of \$3 000 million per location. Since this is the only aim, the question does not necessarily arise in the case of this interim legislation as to whether environmental considerations must be taken into account.

In my view, this problem has at any rate about seven more years to go before it is finally settled since even under the regulations contained in the present Convention, it will not be possible to start effective exploitation before the beginning of 1988. By that time, therefore, we must look into the question of how

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deep-sea mining can be carried out, what environmental problems will arise and what methods of exploitation we will agree on. There are many possible technical solutions to be discussed and we will be able to decide on the basis of our understanding of the situation what conditions must be imposed on the mining authorities or undertakings for the protection of the environment.

In view of this, it can, I think, perfectly reasonably be argued that first of all — as Mr Collins rightly proposed — we should discuss the scientific aspects of the question and only then the political aspects on the basis of our findings.

I should also like to mention once more the question brought up by the last speaker, i. e. whether or not the Community as such will be party to the Convention. I share the view put forward in the Walter report and would flatly deny the assertion made by the last speaker to the effect that there was no justification for participation of the European Community as signatory of the Convention. Quite the contrary — the very fact that the Convention will be the model for future developments in the world economic order and be of considerable significance for developments in raw-material supplies for all countries of the world stress the decisive significance the form it takes will have on the foreign trade policy of the European Community and this foreign trade policy is purely and simply the main responsibility of the European Community *vis-à-vis* the rest of the world. Consequently, the responsibilities of the European Community are perfectly clear. It is for the European Community alone to determine its competency. It does not need to ask anyone.

Before I finish I should like to comment on the various observations which have been made regarding the situation in the United States. I do not get the impression that it is the intention of the present government in Washington that the existing Convention should be totally revised. I am convinced — partly in the light of personal contacts — that the United States intends to concentrate on Chapter 11, which deals with deep-sea mining and is in fact — as no one disputes — not all it could be. It is to be hoped that the revision of Chapter 11 can take place as soon as possible and lead to constructive results which the Community can then discuss, as far as possible with a single voice — with a view to improving the provisions currently proposed.

Mr President, I should like, in conclusion, to stress once more how pleased the Commission is that this debate is taking place. It will do all in its power to ensure that the Community as such makes its presence felt more strongly at this Conference than in the past. Anyone who tries to prevent it from doing so will be helping to prevent us from speaking with a single voice in a matter of great economic importance at world level.

(Applause)

**President.** — The joint debate is closed.

The motions for resolutions will be put to the vote during the next voting time.

11. *Parliament's administrative expenditure*

**President.** — The next item is the report (Doc. 1-952/80), drawn up by Mr Price on behalf of the Committee on Budgetary Control, on the administrative expenditure of the European Parliament for the period 1 January - 31 December 1980 (financial year 1980).

I call Mr Herman.

**Mr Herman.** — (FR) Mr President, ladies and gentlemen, the debate on the expenditure of the European Parliament cannot be confined to mere accounting considerations. That is why, like my esteemed colleague Mr Leonardi, I would like to raise here the problem of the social security arrangements of Parliament, which are directly connected with its operating costs. I understand the political, financial and budgetary obstacles in the way of the adoption of a simple and logical solution, worthy of a true Parliament, namely provision, within the European budget, for uniform salaries and social security arrangements for all Members of Parliament.

However, these obstacles should not prevent a first step from being taken, in the form of the setting up of a pension fund. This could be financed both by voluntary contributions from members and by an additional contribution from Parliament itself. This pension scheme could be combined with a sickness and invalidity insurance scheme similar to that found in some national parliaments. If these two proposals could be considered favourably, an important step would be taken towards the aim of uniform parliamentary social security arrangements. These are essential for the reputation, the credibility and above all the independence of Members of Parliament. That is why we should concern ourselves with them and I regret that the Price report said little or nothing about them. I therefore urge the Presidency, the Bureau and the Quaestors to consider this problem and find an appropriate solution to it.

**President.** — I call Mrs Boserup.

**Mr Boserup.** — (DA) Mr President, ladies and gentlemen, Mr Price's report on Parliament's budget is extremely welcome. It is good that it was produced so

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quickly, and its conclusions — essentially that the Committee on Budgetary Control should follow developments by means of quarterly reviews done by the administration and that the discharge in respect of the financial year should be postponed until the Court of Auditors has finished verifying the operating expenditure — are correct and have my full approval.

We need this opportunity to talk about Parliament's expenditure in relation to the work this money is paying for. Many of us have expressed indignation over unreasonable extravagance. I myself have been tempted to join the ranks of those whom Mr Price the other day referred to as 'naughty boys throwing stones at people's windows'. I have tried to do something of this sort myself, although it was a good many years ago. In the meantime, expenditure is too high. A comparison with the Danish Folketing, whose budget I am familiar with, shows that, even taking account of the expenditure on the language services, twice as much is spent here per Member as in the Folketing.

This seems a bit much, not so much because of the size of the amount — I am not stingy — but because there is so little to be seen for the money. No laws are passed here, and we meet only five days per month. Our only duty is to debate the Commission's proposals, and this takes us six months or a year. The money is being poured out, but pleasure and interest in the work is so lacking that even committee meetings fall flat because Members cannot be bothered to attend or can attend only briefly.

I represent Danish workers who support the Socialist People's Party. They are against our membership of this Parliament, and it is thus not for me to advise Parliament on its work. But it is my job to protest against the senseless use of taxpayers' money, and there are more than enough examples of that: 5 000 kroner a year per Member for 'representation' — as if one could buy oneself respect and standing! At the most it will buy some lukewarm references in the media.

Mr Pannella recently also gave some examples of unnecessary extravagance, with particular reference to the official trips of the group chairman. Oh dear, these group chairmen! When I first came to the Parliament, I myself was very surprised that the group chairmen could travel to the USA in connection with a visit by a delegation, even though they were not members of the delegation. To be sure, we have group chairmen at home as well. They may be respected for their political skill, but they are not provided with official cars and other status symbols.

And then we have invented something called quaestors, who were expected to solve practical problems. And we thought they were practical people. How simple could we be! The fact is that these quaestors have built up their own little bureaucratic fairy-tale world, with huge agendas, spokesmen and all kinds of

red tape. Should we not recognize our mistake and do away with the post of quaestor?

I am glad to have this opportunity to call upon Members to stop for a minute and consider that this smug farce is being paid for by the wage-earners, who from day to day are having to put up with falls in real income, social cut-backs, shut-downs and housing shortages. I call upon the Bureau of Parliament, in our own interests, to halve the amount of money needed for Parliament's work. The considerable under-utilization of appropriations which was a feature of 1980 shows that there must be wide scope for doing this as long as the will is there.

**President.** — I call Mr Key

**Mr Key.** — Mr President, over the last few months the European Parliament has been awakened from what I would call its self-imposed slumber by the citizens of Europe with respect to its own expenditure, while we as parliamentarians over the last few months have demanded accountability of all the other institutions of this Community and have continually sought and said in this Chamber that we want value for money. We have a saying in the United Kingdom which says that he who lives in a glass house should not throw stones. Now we must look at ourselves and Mr Price's excellent report clearly shows there is enormous room for improvement in the way in which we handle our own affairs and our own financial situation.

The Socialist Group supports this report and will work for a secure and better management of the financial resources in the future. The expenditure of the European Parliament in 1981 totalled £ 71 million — a large amount. But as one of the comrades said earlier this week, that is in fact only 27p for each citizen in Europe. Although that seems small, it is still a large amount of money that the citizens of Europe are paying into our funds. Therefore I want to look at two aspects of that expenditure.

The first is that we spend over 40% of that money on our linguistic facilities. Surely the administration of this Parliament must look very carefully at how effectively this money is spent in this field of activity which is so vital to us.

The second substantial amount is accounted for by our work in at least three separate places where we operate. This is not because we want to be modern gypsies in the 1980s but because no one has been willing to take the harsh but inevitable decisions required in deciding a working place for this Parliament.

Now in spite of those two factors, over which we have very little control, I would like to make the following suggestions as to what we should do first of all as a

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Committee on Budgetary Control and secondly as a Parliament. The first is that we must ensure that all estimates for future spending must be improved and that we must show determination in this, especially during the current discussions on the Parliament's budget for 1982, and avoid the gross mismanagement in 1980 where we underspent by 22%.

Secondly, we must also seek to ensure the efficiency of the services of the Parliament but as socialists and trade unionists on this side of the House we must ensure that the working conditions of the staff are not in any way harmed by this.

Thirdly, in paragraph 9 of Mr Price's report we seek to tighten up the existing situation by calling on the Committee on Budgetary Control to examine very carefully the implementation of the budget on a regular quarterly basis with a view to ensuring both the economy and efficiency of the working of this House.

Fourthly, we will certainly look very closely at the expenditure on missions and travel in the course of our normal work inside this international Parliament. Enough has been said on this in the media and in this Chamber. Now if we are going to have any credibility at all as a parliament towards the citizens of Europe we must act very carefully and very quickly and very soundly on this aspect.

And, finally, I think the thing we have got to decide in this Parliament is what we want to do. If we want to do something we have got to be willing to pay for it and stand up and defend the payment of it. If we are not willing to stand up and defend the payments and expenditure required we should not do it and should not talk about doing it. There have been many examples in this Parliament only this last week where we have made grand statements about what we should be doing and what everybody else should be doing in the world. I am afraid we have got to decide, if we want to pass comments like that or get involved in all those things, that we have got to pay for it and we have got to make that decision as parliamentarians.

In conclusion, this report not only looks towards the past but also shows the way ahead if we are to ensure a fair and disciplined financial behaviour in our own Parliament. And, therefore, on behalf of my group, I support this report and also the amendment moved by Mr Kellett-Bowman.

**President.** — I call the rapporteur to wind up the debate.

**Mr Price, rapporteur.** — Mr President, I think during this debate we have heard on three occasions references made to underspending of the parliamentary appropriations, I think just a word is required on that point because in my view the word underspending,

when we talk of administrative expenditure, is misplaced. If we can avoid using all the appropriations available to us in the budget I believe that to be a good thing, not a bad one. But on the other hand, and as a matter of balance, clearly we must avoid seeking appropriations well in excess of what is going to be required for our actual expenditure in the following year. It is with that I approach the subject and that is why the Committee on Budgetary Control includes not only the observations in paragraph 5 of the resolution but also those in paragraph 6, which remind the administration of Parliament that great care is needed when drawing up the estimates for future years and that only a level of appropriations which is essential for the economic running of Parliament should be sought. So that I believe that what this resolution does is to achieve a reasonable balance.

Let me say to Mrs Boserup, who talked about the costs of the Danish Folketing in relation to the European Parliament, that it does seem we have remarkable value here because she told the House only a few minutes ago that the costs per Member at the Danish Folketing were half what they were here. Well now, if you consider that this Parliament works in seven languages; if you consider that we are required not only to travel round our working centres but that the Members come from all parts of Europe and their travel has to be included and if you take into account all the various other complicating factors relating to *this* Parliament, it seems to me to be quite remarkable value and somebody ought to be going and having a look at the Danish Folketing to see why they do not have a ratio rather better than that.

So that I think overall our level of expenditure, which I summed up on Tuesday as being a cost of 27 pence for each citizen of Europe for an entire year, is a reasonable figure on those accounts and I invite the House to support the motion for a resolution.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote during the next voting time.

## 12. Community's own resources (continuation)

**President.** — The next item is the report (Doc. 1-772/80), drawn up by Mr Spinelli on behalf of the Committee on Budgets, on the Community's own resources.

I call Mr Notenboom on a point of order.

**Mr Notenboom.** — (NL) Mr President, on behalf of the Group of the European People's Party I should like to point out that Mr Barbi put his name down to

### Notenboom

speak in case anything was said which he might have to refute or support. However, there has so far been nothing to warrant this. As far as we are concerned, the debate already took place in January, and the fact that Mr Barbi does not happen to be here does not mean therefore that there is any lack of interest.

**President.** — This will be recorded in the minutes.

I call the rapporteur.

**Mr Spinelli, rapporteur.** — (IT) Mr President, Members of the Commission and Council, ladies and gentlemen, and above all you, egregious empty benches — who unfortunately do not vote, but who are at least obliged to listen — without wishing to resume now the debate on the problem of the Community's own resources, I would like simply to make a few remarks on some of the more important and decisive amendments tabled.

I would like to point out first that the need for a Parliament resolution on own resources was felt as early as September 1979 — I repeat, September 1979 — and in October 1979 it was decided to set up a working party to that end within the Committee on Budgets. The working party worked diligently and in April 1980 submitted the technical work it had done to the Committee. In May 1980 the Committee discussed it in a number of sittings, with all the documents available. Those who had an interest in tabling amendments took great care not to do so, so that by November only a few amendments had been tabled, and account was taken of them. The motion for a resolution was debated in January, rather belatedly since the point of this proposal was to show the new Commission what Parliament intended to do, whereas in fact the debate took place after the new Commission had presented its programme. Strangely, when this debate took place — and it was fairly complex — suddenly a number of Members woke up unexpectedly and decided that they had to table about 70 amendments. Well and good. We discussed and examined them in the Committee on Budgets. I now submit to you the results — the proposals and suggestions of the Committee on Budgets.

I cannot conceal my regret at the fact that, when dealing with a problem of such importance, Parliament has moved with a slowness worthy of other institutions of the Community. Clearly Parliament, too, is learning to act in the same way.

The number of amendments tabled is about seventy. At the time of the vote I shall tell you the Committee's position — for or against — on each of these amendments.

Many of these amendments involve only a detail change, slightly improving or slightly worsening the

text, depending on whether you support or oppose them. Whether this or that amendment is accepted or not, the basic characteristics of the resolution do not change. On the other hand, there are a few others — five or six, or perhaps even less — the adoption of which would give the text a rather different meaning, and would therefore tend to influence voting behaviour in the final vote.

I would like to say something about one amendment, for those who will be able to take account of it — I don't know how those who are not present here will manage, given that tomorrow the 'Rainbow Edition' will give only the original version of my speech, so that those who do not know Italian will understand nothing of what I have said. I refer to Amendment No 27, tabled by Mr Baillot, Mr Sarre and others, which proposes to eliminate everything and say that the Community must have no new tax, no parafiscal levy, and that there must be no transfer of national policies. It is obvious that this completely changes the sense of the resolution, so there is no need to dwell on it. The Committee on Budgets rejected it.

Amendment No 35, tabled by the Socialist Group, concerns various clauses in the preamble, of which three were accepted by the Committee. One is rather important — it says that any increase in the sources of Community revenue will be unacceptable until there is a commitment to make structural changes to the budget.

You all know the old argument, used for 20 years, according to which Parliament could not be elected because it had no powers, but no powers could be given to Parliament because it had not been elected. It is clear that with the present resources serious structural changes cannot be made, given that we can reasonably hope to improve agricultural expenditure, and that we must not think we can substantially reduce agricultural expenditure in order to increase expenditure in other sectors. Structural changes presuppose larger resources. This commitment is therefore unacceptable. If a formula of this kind were accepted, it would mean that the whole resolution would no longer have much point.

Another amendment, No 38, also by the Socialist Group, calls for further harmonization of VAT rates in the context of existing taxes. This is a commitment which has been made by the Community and not yet implemented. Harmonization of rates is also necessary to remove fully any control of intra-Community trade and turn the common market into a really unified market instead of merely a partially unified one.

For reasons which I do not understand, the Socialist Group has proposed to delete this invitation to carry out further harmonization. This amendment was accepted by the Committee by 14 votes in favour, 13 against and 3 abstentions. You will realize that on its acceptance or non-acceptance depends a rather impor-

Spinelli

tant change in the demands we are putting to the Commission and the Council.

Amendment No 1 by Mr Visentini urges the Commission to regard loans not only as an intermediary function but also as a means of financing Community investments in response to exceptional needs. It seems to me quite a reasonable proposal. The Committee on Budgets showed considerable uncertainty, since it rejected it by four votes in favour, seven against and 15 abstentions. I think it is rather important for Parliament to take a definite view on this point.

I now come to the basic point — Paragraph 22 of the motion for a resolution — which is the problem of increasing the VAT ceiling. Amendment No 15 by the European Progressive Democrats Group, tabled by Mr Ansquer and others, calls for its deletion. The amendment was rejected by the committee with 20 votes against. An amendment by the Socialist Group, which was also rejected, called for the VAT ceiling to be increased only if and when necessary in order to carry out political tasks. Once more I draw your attention to the fact that to accept this amendment would change the nature of the resolution substantially.

On VAT, we do not confine ourselves to saying that it is advisable to provide for it, but state formally that the Commission should make proposals to eliminate the ceiling. On this point we have Amendment No 16, by Mr Ansquer, for the European Progressive Democrats Group, and an amendment by the Socialist Group, both of which call for its deletion. The committee accepted its deletion by 18 votes to 12. Its deletion would mean that the resolution would be asking for virtually nothing from the Commission on VAT. So bear that in mind.

The last amendment, rejected by 12 votes to 11, and tabled by Mr Ansquer and Mr Flanagan, relates to paragraph 27 and is intended to delete the paragraph, in which it is stated that it is necessary in the medium term to try to introduce slightly more progressive forms in Community taxation, since in the medium term we cannot remain bound only to the types of resources which have hitherto been approved.

Similarly, the amendment relating to the subsequent paragraph, which talks of the importance of the tax on companies, and the deletion of which has been asked for by the same group, was rejected by 10 votes to 11.

These are the points on which I think Parliament should reflect, for its decisions will determine the character of the resolution. At the time of the vote I shall remind you precisely of the attitude taken by the Committee on each point. I therefore ask you to concentrate on these points, which are crucial.

(Applause)

IN THE CHAIR: MR MØLLER

*Vice-President*

**President.** — The debate is closed.

The motion for a resolution will be put to the vote during the next voting time.

13. *Decision empowering the Commission to contract loans to promote investment*

**President.** — The next item is the report (Doc. 1-28/81), drawn up by Mr Gouthier on behalf of the Committee on Budgets, on the

proposal from the Commission of the European Communities to the Council (Doc. 1-581/80) for a decision empowering the Commission to contract loans for the purpose of promoting investment within the Community.

I call the rapporteur.

**Mr Gouthier, rapporteur.** — (IT) Mr President, ladies and gentlemen, a few days ago in this House, speaking in support of the draft resolution submitted by the Committee on Budgets on guidelines for the next budget submitted by Mr Spinelli, we stressed the crucial importance, with reference to the budget and activities of the Community, of problems relating to borrowing and lending operations. What has happened in the last few days — and I think we can say in the last few hours — on the measures taken by the French and West German governments in floating a considerable international loan, confirms our conviction even if, of course, we, the Italian Communists and their Allies, must express in this connection — as we did in a motion for urgency which we tabled — our perplexity and concern, not so much for the loan in itself as for its object and the inference we can take from it, since this would seem to be increasingly more “non-Community” and “Member State oriented”.

But having said this, I must rapidly go on to state in this House that the problem of borrowing and lending operations, to be used for initiating and carrying on Community investment, has been further enhanced by problems which have emerged just recently, for example the problems of own resources and of getting the most out of Community financial assets. The problems — and we are aware of this — are urgent. Amongst them are the problems of energy, with the many and varied aspects involved in developing new sources and saving the ones we have, the problems of major road communications infrastructures, which have been especially highlighted by the entry of Greece into the Community, problems which are just starting to be faced, such as that of housing, and new problems

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which will have to be faced in the industrial sector and so on. Therefore, there is a whole list of urgent problems, a need for capital and a shortfall in budget resources. The natural outcome of this is that borrowing and lending operations take on a fundamental relevance, all the more so since these financial assets — as is very often the case for the NCI — are accompanied by significant interest rebates. They are, therefore, decisive instruments for intervening in the development of the Community economies and trying to make a positive contribution to the basic problem which is that of convergence between our various economies.

In this general sphere of problems of economic and financial policy, in the Committee on Budgets and other committees competent to deliver an opinion — the Committee on Economic and Monetary Affairs in particular — there were no real differences of opinion. We were all in complete agreement on the need to boost, to get the most out of this instrument which is so important precisely at this difficult time for our economies. Therefore, we agree on the Commission proposal to abolish the ceiling and to make loan operations permanent in nature, by using a quota system. We also agree on the advisability of extending the sectors to which such financial operations may be applied.

What were the problems to which particular attention was devoted during the meetings of the Committee on Budgets, which led to significant alterations in the attitude adopted towards the draft decision submitted by the Commission? The problems are of two types. Firstly, there is, let us say the hoary or traditional problem of Parliament's role in the decision-making and control phases of all these operations. Secondly, the Commission on Budgets dwelt particularly on another sensitive aspect of the problem, which is that of the relationship between, on the one hand, the work of the Commission, which as has been said has a pre-eminent role to play *vis-à-vis* the NCI since it collects the financial resources on international money markets, and, on the other hand, the measures to be taken by, and the activities of, the European Investment Bank.

For the first type of problem, the amendments which the Committee on Budgets has made firstly concern the heading or title, as we might say, of the legal measure which the Commission is forwarding to the Council for adoption. Using our title this measure will become a decision not just of the Council but of the budgetary authority. The Committee on Budgets wishes, through its amendments, to reaffirm the principle that for problems of this type Parliament ought to intervene as part of the budgetary authority even at the very outset. Along the same lines, and I do not intend to repeat here the whole discussion process which took place since this has already been mentioned recently during the debate on the motion for a resolution brought by Mr Spinelli — the problem

of entering borrowing and lending operations in the budget was dealt with. It is precisely because of this question of the budgetizing of borrowing and lending operations and Parliament's unwillingness to renounce its political and moral prerogatives in this matter, that we have made amendments to paragraph 2 of Article 2 of the draft decision, in order to emphasize clearly Parliament's intervention even when decisions are being made about the general guidelines of such policies, but what we ultimately wished to do was to stress our reservation concerning this procedure, which although we grudgingly accept it for the moment is of a provisional nature pending the solving of the problem of budgetization of Community loans. The amendment to Article 6 is also along the same lines, which is that not the Council alone, but the Council *and* Parliament should be able to carry out the assessment of the general operation of the mechanism. This therefore is the logic behind these types of amendments aimed at allowing Parliament fully to gain, demonstrate and even exercise all its decision-making powers, over and above its control function which is still under discussion and has definitely not yet been settled satisfactorily. Discussions on this matter, that is to say the budgetization of borrowing and lending operations, are to say the least somewhat confused at present.

As for the other problem, the amendments which have been made will have definite consequences and particularly concern Article 5, which basically adopts the attitude that the European Investment Bank's pre-eminent position as regards the taking of decisions and the management of financial resources should be maintained, whilst we in our amendment have wanted to express quite clearly the Commission's equality and at times superiority where the choice of investments and the use of such financial resources are concerned, thereby endowing the EIB with a role which is predominantly in the nature of a management and administrative one. This is one of the reasons why we inserted the principle that the Commission and the Bank should be consulted before loan requests were granted at one and the same time, but I am not here to read out to you our version of Article 5.

These are basically our amendments. In the light of them, Mr President, I feel that of the three amendments tabled by Mr Balfour, there is one amendment to the motion for a resolution — which naturally contains the views I have just expressed — which we can accept. This is the supplementary amendment to paragraph 6 aimed at *taking particular account of the requirements of small and medium-sized undertakings*. Conversely, we cannot accept the draft amendment from Mr Balfour to paragraph 10, concerning the request that the new agreement between the Commission and the EIB should be officially communicated to Parliament, because this is precisely part of what is, for us, the incontrovertible need to protect Parliament's right to know. Similarly, we cannot accept the draft

**Gauthier**

amendment to Article 4 of the draft decision, aimed at reinstating the last sentence of the Commission text:

Funds borrowed shall be deposited with the European Investment Bank to be invested on a temporary basis if necessary.

We wish to see this sentence completely deleted in order to stress the fact that it is the Commission which will take such steps and not the European Investment Bank, except where such decisions are particularly and above all technical in nature. These are the main points which were approved in the resolutions and guidelines voted by the Committee on Budgets.

**President.** — The debate is suspended.

14. *Votes*

**President.** — The next item is the votes on the motions for resolutions on which the debates are closed.<sup>1</sup>

We shall begin with the *von Wogau report (Doc. 1-73/81): Indication of the origin of certain textile and clothing products.*

(. . .)

*Paragraphs 1 and 2 — Amendment No 2.*

**Mr von Wogau, rapporteur.** — (DE) Mr President, I propose that the House reject this amendment because it corresponds to the line which we rejected by a majority in the Committee on Economic and Monetary Affairs.<sup>2</sup>

**President.** — Explanations of vote may now be given.

I call Mr Hopper.

**Mr Hopper.** — I should make it clear that we as a group favour a directive regarding the marking of countries of origin. We also believe that the Commission is right in placing the primary obligation on the retailer rather than the manufacturer, otherwise there is a danger of creating a new tariff barrier to trade. All of us in this group wish to see customs posts abolished, but we realize that for the time being this is unrealistic. However, we are totally opposed to placing new rights

and duties upon customs officers which may create new barriers to trade. We believe it is desirable to have a directive that provides information to consumers. Customers have a right to know where goods are produced. We desire a directive which will tell consumers in which country of the EEC they are produced and this is a measure of consumer information.

**President.** — I call Mr Deleau.

**Mr Deleau.** — (FR) Mr President, ladies and gentlemen, during the general debate on the report by Mr von Wogau, I had the opportunity to say what the Group of European Progressive Democrats thought of it. By tabling amendments we tried to change the proposal from the Commission to the Council concerning the indication of the origin of certain textile and clothing products with a view to standardizing at Community level the marking of the origin of these products. We regret that our amendments were rejected.

We thought that by amending the proposal we would protect our industries and our jobs, but that is not the case. This being so, we regret that we shall vote against the report by Mr von Wogau, for which we request a roll-call vote.

**President.** — I call Mr von Wogau.

**Mr von Wogau, rapporteur.** — (DE) Mr President, I should like to use my explanation of vote to clear up a few misunderstandings which have arisen during this debate. Some people had the impression that I was against any national responsibility for marking products in the interest of consumers. I should like to make it clear that this is not the case. This resolution is not directed against this sort of thing as long as it does not interfere with trade *within* the whole European Community. For this reason I think that we can adopt this proposal with a large majority.

**President.** — I call Mr Delorozoy.

**Mr Delorozoy.** — (FR) Mr President, my reason for wishing to speak is that the statements which the rapporteur, Mr von Wogau, has just made to try and put right what he calls a misunderstanding have now given rise to utter confusion in this House. With regard to this report the situation could not be more confused, since I have just heard one of our British colleagues stating that he was in favour of marking the products in question, while a moment ago I noticed that he voted — as he is perfectly entitled to — against the amendments seeking to change paragraph 1, the very point of which is the rejection of the Commission's proposal which might lead to this type of mark-

<sup>1</sup> The report of proceedings only includes those parts of the vote which gave rise to speeches. For a detailed account of the voting. The reader should refer to the Minutes of proceedings.

<sup>2</sup> The rapporteur opposed all the other amendments.

**Delorozoy**

ing. I should therefore like to state that, faced with a text like this, our group has no choice but to vote against it.

Lastly, Mr President, I should like to ask you if you can tell me by what procedure you put Amendment Nos 3 and 6 to the vote, since they referred to a text which no longer existed after Amendment No 1 had rejected the proposal for a directive outright!

**President.** — The amendments have been put to the vote, and what we are now talking about is the motion for a resolution as a whole.

**Mr Delorozoy.** — (FR) Mr President, when giving our explanation of vote, I asked a question — which I was not entitled to ask earlier — on the procedure by which a vote was taken on amendments to a text which no longer existed!

(Applause from certain quarters of the Group of European Progressive Democrats)

**President.** — I call Mr von Wogau.

**Mr von Wogau, rapporteur.** — (DE) Mr President, I paid close attention to the procedure followed during voting and did not notice any errors such as voting in the wrong order or incorrectly, as has just been suggested.

**President.** — I call Mr Deleau.

**Mr Deleau.** — (FR) Mr President, I think that we are totally confused, and Mr Delorozoy is perfectly right to demand an answer to his question about the procedure followed. In fact, since Amendment No 1, which we had tabled, was rejected, the matter was closed. Mr Delorozoy is therefore quite right. I would urge you, Mr President, to draw the necessary consequences.

**President.** — No other amendments were adopted, and so we shall not vote on the motion for a resolution as a whole. I cannot understand why you are talking about amendments which have become void.

I call Mr Delorozoy.

**Mr Delorozoy.** — (FR) Mr President, my reason for speaking is precisely that we still do not understand each other. Once Amendment No 1 was not adopted, we were left with the original text. Paragraph 1 of the text states 'rejects the Commission's proposal'. If a Commission proposal is rejected, there is no longer a draft directive. Amendments Nos 3 and 6 which you put to the vote referred to the requirement to indicate

origin at the retail stage. So this means that there is no longer any indication of origin since there is no longer any text. It is clear!

**President.** — I call Mr von Wogau.

**Mr von Wogau, rapporteur.** — (DE) Mr President, I think that there really is some confusion here. Even if the vote on these amendments involved voting on a text that no longer exists, it is nevertheless a fact that both Article 1 and Article 2 were adopted, so that we can now proceed to the final vote.

(Applause from various quarters)

**President.** — I call Mr Tyrrell for an explanation of vote.

**Mr Tyrrell.** — Mr President, I merely wish to say that I and, I believe, a number of my colleagues will be supporting Mr von Wogau's resolution for the reasons which he gave, and not for those which Mr Hopper gave.

(Loud laughter)

(Parliament adopted the resolution)<sup>1</sup>

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**President.** — We shall now consider the *motion for a resolution by Mr Klepsch and others (Doc. 1-969/80): Food supplies to Poland.*

(. . .)

Explanations of vote may now be given.

I call Mr Forth.

**Mr Forth.** — I oppose the principle of giving aid, succour and support to Communist régimes. Communism is bankrupt and it has been demonstrated to be so by the simple fact that the Communist Polish State cannot feed itself. Why should we help to disguise the total failure of Communism as a means of running a society? This is a paradox, and I cannot give any support to an attempt to lend aid and succour to Communist régimes to which I personally, and I am sure a lot of other people, if not most people in this House, are totally opposed.

How do we know, Mr President, that the aid we wish to give to the people of Poland will ever reach them?

<sup>1</sup> See annex for the result of the electronic vote.

## Forth

How do we know? Are we satisfied that our aid will not find its way to the USSR? Are we going to wrap up each item of aid and put a little label on it saying 'Your system does not work and ours does'? I suggest to you, Mr President, that the whole approach we are taking here is fraught with danger. Our intentions are the best, but the results could be totally counter-productive. For these reasons I will abstain on the vote on this resolution.

**President.** — I call Mr Israel.

**Mr Israel.** — *(FR)* Mr President, I should like, with respect, to say to Mr Forth that the motion before us today does not seek to sucker a regime but to sucker men and women who are starving because of a regime.

*(Applause)*

**President.** — I call Mr Rogers.

**Mr Rogers.** — Mr President, I do not want to reopen the debate. I will declare my vote in favour for reasons which are the exact opposite of Mr Forth's. I believe that food aid is to succour starving children and starving people that live under any ideology, and I certainly would not like to sacrifice one human life on the altar of any particular ideology, whether it be of the left or the right. For that reason, I shall support them.

**President.** — I call Mr Fergusson.

**Mr Fergusson.** — Mr President, may I just explain what we are doing in this group here? We are fully in sympathy; Mr Forth obviously speaks for himself here, but we are fully in sympathy with this resolution, but we have decided to abstain because we regard it as having been very largely overtaken by events, since most of the aid of which we are talking is already on its way. But we are in no way out of sympathy with anything behind this resolution.

**President.** — I call Mr Maher.

**Mr Maher.** — Mr President, I support this motion not only for humanitarian reasons, which would be the strongest reason why I would support it, but also because we in this Community can demonstrate to this other régime that we are able to produce food to the extent that we have some to spare over and above what we need for ourselves. We have it to sell and supply to others, and I would remind the people in this House who advocate getting rid of surpluses that if we get rid of surpluses then we shall have no food to distribute to those who need it in times of want.

*(Applause from various quarters)*

*(Parliament adopted the resolution as a whole)*

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**President.** — We shall now consider the *motion for a resolution by Lord Bethell and others (Doc. 1-7/81): Community aid for Afghan refugees in Pakistan.*

*(...)*

*(Parliament adopted the resolution as a whole.)*

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**President.** — We shall now consider the *motion for a resolution by Mr Moreau and others (Doc. 1-14/81): Joint Council meeting.*

*(Parliament adopted the resolution as a whole.)*

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**President.** — We shall now consider the *Colleselli report (Doc. 1-680/80): Situation in the Community wine-growing sector.*

*(...)*

*Paragraph 1, preamble*

**Mr Gautier.** — *(DE)* Mr President, I am sorry but I do not know what we just voted on. It came across in the German interpretation that we were voting on the preamble, and then suddenly mention was made of the first paragraph. I would have voted for the preamble but against the first paragraph. Could you please take the vote again since I think that many Members were not clear about what they were voting on.

**President.** — Is it on the preamble to paragraph 1 that you want to repeat the vote?

**Mr Gautier.** — *(DE)* Mr President, I am sorry, but the numbering in my version is perhaps different. The first paragraph is divided into subparagraphs (a), (b), (c), and (d). There is also a preamble with a number of indents, and this is what I think we have just voted on. I am therefore not sure what you are putting to the vote, whether the whole of paragraph 1 or just paragraph 1 (a).

**President.** — It is the section which reads as follows:

Calls upon the Commission and the Council to implement forthwith, within the limits of the appropriations in the 1981 budget, a number of emergency measures that contribute decisively to remedying the situation on the wine market, and in particular, to . . .

That is what we voted on, and it was adopted.

*Paragraph 1, subparagraph (a) — Amendment No 3*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I propose that we delete subparagraph (a), since after the publication of the motion for a resolution a regulation was brought out No 2892/80 to be precise — which already provides an answer to this point. Thus subparagraph (a) is superfluous and I therefore propose that it be deleted.

**President.** — I do not think that you can simply delete subparagraph (a) of the motion. I should like to hear what you think about the amendment.

**Mr Colleselli, rapporteur.** — (IT) Mr President, I am against the amendment. I confirm what I said before about deleting the subparagraph (a).

(. . .)

*Paragraph 1, subparagraph (d) — Amendment No 6*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I am against this amendment, since what is proposed is already contained in the resolution.

(. . .)

*After paragraph 1 — Amendment No 16*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I have carefully assessed what is contained in this amendment, which particularly concerns the wine cooperative sector, and I am personally in favour of it since what it requests has already been specified more than once in the report on pages 11 and 15.

I have only one reservation to make on subparagraph (b). If it is adopted — and I repeat that I am personally in favour of it — the text will obviously have to be changed into units of account. As for subparagraph (c), I leave the choice up to the House. I am in favour of the other amendments.

(. . .)

*Paragraph 2, subparagraph (g) — Amendments No 14 and No 10*

**Mr Colleselli, rapporteur.** — (IT) I am in favour of Mr d'Ormesson's amendment. As regards the other amendment, I am against it because it is already contained in the text of the resolution.

(. . .)

*After paragraph 2, subparagraph (g) — Amendment No 15*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I am in favour, while suitably drawing attention to what Mr Oehler said this morning about the possible costs involved in appointing inspectors. I have no proposals to make, but I think that any action by the Community and the national governments must be concerted.

*Paragraph 2, subparagraph (i) — Amendment No 13*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I am against this amendment and would point out that the committee has already voted against it.

(. . .)

*After paragraph 2 — Amendments No 9 and 12*

**Mr Colleselli, rapporteur.** — (IT) Mr President, I should like to draw the attention of the author of this amendment that, with regard to the fixing of agricultural prices, any co-responsibility whatsoever for wine has been ruled out. Therefore I am against the amendment, since it is superfluous.<sup>1</sup>

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**President.** — Explanations of vote may now be given.

I call Mr Fotilas.

**Mr Fotilas.** — (GR) Mr President, the Greek Members of PASOK will all be voting in favour of the proposed draft, although we have serious reservations. These reservations can be summed up as follows:

Firstly, the proposed draft takes absolutely no account of producers of dessert grapes, and this seriously affects the interests of both Italian and Greek grape-growers.

<sup>1</sup> The rapporteur also gave a favourable opinion on Amendment No 1 and opposed Amendments No 4, 5, 7, 8 and 11.

## Fotilas

Secondly, the proposed draft accepts the ban on new plantings, although this is something which we should be discussing at the next part-session of Parliament, when we come to debate the review of the common agricultural policy.

A third drawback to the proposal is that it tackles the problem in a uniform fashion for all countries of the Community, although the differences between production conditions from country to country — and particularly in Greece, where small holdings predominate — are well known. In this case we feel that national support measures or differentiated prices are essential. Despite these reservations, we believe the proposal makes some progress towards improving conditions in wine-growing, and we shall therefore be voting in favour of the proposals as a whole.

**President.** — I call Mr Gautier.

**Mr Gautier.** — (*DE*) Mr President, ladies and gentlemen, I shall vote against the motion for a resolution, firstly for the reasons which I already set out this morning and secondly because a number of amendments have been tabled with detailed price proposals and other things. I feel that in such a case a responsible Parliament should be considerate enough to do what it always expects of the Commission, namely to provide a financial information sheet showing what all the fine measures we are demanding cost or whether there is any purpose in them at all. For these reasons I shall vote against the motion.

(Parliament adopted the resolution as a whole)

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**President.** — We shall now consider the *Früh report* (Doc. 1-860/80) *improvement of public facilities in certain less-favoured agricultural areas of the Federal Republic of Germany.*<sup>1</sup>

(...)

(Parliament adopted the resolution as a whole.)

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**President.** — We shall now consider the *Provan report* (Doc. 1-859/80): *Statistical surveys on bovine livestock.*

<sup>1</sup> The rapporteur gave a favourable opinion on Amendment No 1.

(Parliament adopted the resolution)

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**President.** — We shall now consider the *Sutra de Germa report* (Doc. 1-71/81): *Regulations on sugar, cereals and rice.*

(...)

*Paragraph 1 — Amendment No 1*

**Sir Henry Plumb, deputy rapporteur.** — Mr President, in the absence of the rapporteur, Mr Sutra, I take responsibility for the report. My committee would be against this amendment.

(...)

**President.** — Explanations of vote may now be given.

I call Mr Hord.

**Mr Hord.** — Mr President, the adoption of Mr Diana's amendment not only goes against the recommendations of the Commission for a change in the regulation on caramel products but negates the report, and the only sensible thing for those who wish to see approval for the changes in the regulations is, regrettably, to vote against the Sutra report, and that is what I shall be doing.

(Parliament adopted the resolution as a whole)

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**President.** — We shall now consider the *Plumb report* (Doc. 1-108/81): *Beef cattle production in Ireland.*

(...)

I call Mr Griffiths on a point of order.

**Mr Griffiths.** — Mr President, bearing in mind your comment about the difficulty of telling who is indicating his vote because he does not have a card and who was just indicating to his colleagues which way to vote, bearing that in mind, and the closeness of the vote, would it not be advisable to take this vote again?

**President.** — If we cannot rely on the results of the electronic voting system, we might just as well not bother to use it. I therefore repeat that the resolution is adopted.

I call Mr Balfour.

**Mr Balfour.** — Mr President, I merely want to ask you whether you not only corrected the fact that I was voting against but also subtracted my vote in favour since my light was green. Therefore it is one less from the 'yes' and one up to the 'no'.

(Laughter)

**President.** — I note that the resolution has been adopted, and this will also be recorded in the minutes.

(...)

*After paragraph 5 — Amendment No 4*

**Sir Henry Plumb, rapporteur.** — I put it forward as an amendment in addition to paragraph 5 which I hope Members will support.

(...)

*After paragraph 6 — Amendments Nos 7, 8 and 9*

**Sir Henry Plumb, rapporteur.** — They all go beyond the wishes of the committee and therefore I am against them, Mr President.<sup>1</sup>

(...)

(Parliament adopted the resolution as a whole)

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**President.** — We shall now consider the *Gautier report (Doc. 1-39/81): Fisheries agreement between Canada and the EEC.*

IN THE CHAIR: MRS VEIL

*President*

(...)

*Paragraph 5 — Amendment No 2*

<sup>1</sup> The rapporteur opposed all the amendments except Nos 1, 3 and 4.

**Mr Gautier, rapporteur.** — (DE) Madam President, I am in favour of Mr Battersby's amendment. I should, however, like to point out that the original calculation in the report was not wrong either; it merely depends on the bases of reference.<sup>1</sup>

(...)

(Parliament adopted the resolution)

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**President.** — We shall now consider the *motion for a resolution by Mrs Gaiotti de Biase and others (Doc. 1-10/81): Cooperation agreement with Yugoslavia.*

(...)

*Fifth indent of the preamble — Amendment No 2.*

**Mrs Gaiotti de Biase, rapporteur.** — (IT) Madam President, I think that the addition is implied in the resolution and is therefore superfluous.

(...)

*After the fifth indent of the preamble — Amendment No 3*

**Mrs Gaiotti de Biase, rapporteur.** — (IT) Madam President, I feel that the addition overloads the resolution, which contains this very consideration. Personally, I am against it, but I leave the decision up to Parliament.<sup>2</sup>

(...)

(Parliament adopted the resolution)

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**President.** — We shall now consider the *motion for a resolution by Mr Johnson and others (Doc. 1-6/81): Law of the Sea Conference.*

(...)

(Parliament adopted the resolution)

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<sup>1</sup> The rapporteur gave favourable opinions on all the other amendments.

<sup>2</sup> The rapporteur also opposed Amendment No 4.

**President.** — We shall now consider the *Walter report (Doc. 1-869/80): Exploitation of the seabed*.<sup>1</sup>

(...)

I call Mr Kappos for an explanation of vote.

**Mr Kappos.** — (GR) Madam President, the progress made by the United Nations Conference and the adoption of rules for the continental shelf and the exploitation of underwater resources are of particular importance not only for countries which have disputes over such questions — such as Greece and Turkey — but also more generally for international peace and detente, since the establishment of new rules will provide a basis for the peaceful solution of differences and the settlement of disputes between neighbouring coastal States. However, as was also pointed out in the preceding resolution, the United States — under its new leadership and in an effort to ensure access for international concerns to the underwater resources of coastal States — has reviewed its previous stance and in fact everything on which it had voted in favour up till now. To a great extent, the resolution before us follows the same approach. First of all it tries to give every opportunity to concerns to have access to the exploitation of underwater deposits. This is evident from paragraph 5. Secondly, it raises the new question of the participation of the EEC as an equal partner in the agreement; this will delay any progress and will oblige the Member States to consider this question of the EEC's participation as an equal partner. Finally, the resolution calls for a common policy on the exploitation of sea-bed deposits. The resolution thus follows essentially the same approach as the demands of the United States, and this will delay the progress of the Conference on the Law of the Sea. For these very reasons, we are opposed to the resolution, and we think that every possible pressure should be exerted from every quarter, so that the conference can proceed to reach decisions which concern us, since we have a special interest in the matter in view of Turkey's claims on the Aegean.

#### 15. Agenda

**President.** — Ladies and gentlemen, we are faced with a problem regarding the agenda. As you know we have had a debate today on Mr Spinelli's report, but we still have to vote on it. If we do not do so today, we shall not be able to do so in May either, since the May part-session will already be overloaded. We therefore need to hold this vote this evening, and so I propose that, with the agreement of the staff, we continue with the votes until 9 p.m. Since the vote on the Price report should not normally take very long,

<sup>1</sup> The rapporteur gave favourable opinions on the two amendments.

we should have no problem in voting on the Spinelli report. Then, after adjourning for an hour, we could hold the night sitting, which would finish at 11 p.m.

(Applause)

I call Mr Forth.

**Mr Forth.** — I should like to ask why we cannot vote on the Spinelli report tomorrow morning, Madam President. I don't see any objection to that at all.

**President.** — Mr Forth, with all the urgent motions for resolutions that we shall have to deal with tomorrow morning, we will not have time to vote on the Spinelli report. It is impossible.

(Parliament agreed to the proposed change in the agenda).

I call the Commission.

**Mr Ortoli, Vice-President of the Commission.** — (FR) Madam President, I should like to ask whether the Gouthier report will be debated this evening. If not, it means that the proposal on Community loans, which has been before Parliament since November, will be held over until the May part-session; I think that this would be a bad thing in every respect.

**President.** — Mr Ortoli, the report by Mr Gouthier will be dealt with normally as soon as the sitting is resumed at 10 o'clock.

#### 16. Votes (continuation)

**President.** — Voting is resumed. We shall first consider the *Price report (Doc. 1-952/80): Parliament's administrative expenses for 1980*.

(...)

*Paragraph 7 — Amendments Nos 1 and 2*

**Mr Price, rapporteur.** — The first of them is a purely textual amendment. I am against it. The second one would introduce into Table II material which is best conveyed elsewhere, and so I am also against that amendment.

(...)

*Paragraph 9 — Amendments Nos 4 and 5*

**Mr Price, rapporteur.** — Amendment No 4 is totally impracticable and I am against it. Amendment No 5 is

**Price**

purely textual and does not improve the committee's text: I am against that also.

(...)

*After paragraph 9 — Amendment No 6*

**Mr Price, rapporteur.** — This hinges on a matter which has arisen since the committee considered the report and so I am not able to give its opinion. On the other hand, one can comment that it is in line with previous parliamentary resolutions.

(...)

*(Parliament adopted the resolution)*

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\* \* \*

**President.** — We shall now consider the *Spinelli report (Doc. 1-772/80): Community's own resources.*

(...)

*Preamble: recital (a) — Amendments Nos 8 and 3*

**Mr Spinelli, rapporteur.** — (FR) I am against these amendments because they have been incorporated into the amendment we have just adopted.

(...)

*After recital (c) — Amendment No 27*

**Mr Spinelli, rapporteur.** — (FR) I am against this amendment, which was rejected by the Committee on Budgets.

(...)

*Recital (F) — Amendments Nos 5 and 33*

**Mr Spinelli, rapporteur.** — (FR) I am in favour of Amendment No 33, which the committee adopted unanimously.

(...)

*After recital (g) — Amendment No 35*

**Mr Spinelli, rapporteur.** — (FR) Madam President, I should like a separate vote on recital (i) of this amendment.

**President.** — I call Mr Arndt.

**Mr Arndt.** — (DE) I maintain only the recital (h) and withdraw the part of the amendment which was rejected in the Committee on Budgets.

(...)

*Paragraph 2 — Amendments No 72, 6, 25 and 49*

**Mr Spinelli, rapporteur.** — (FR) Madam President, the amendment I recommend the House to adopt is No 72 by the Committee on Budgets, since it covers the others.

(...)

*Paragraph 10 — Amendments Nos 37 and 52*

**Mr Spinelli, rapporteur.** — (FR) I am in favour because what is proposed in this amendment does not concern resources.

(...)

*After paragraph 19 — Amendment No 1*

**Mr Spinelli, rapporteur.** — (FR) Madam President, as I have already said, the Committee was fairly undecided since there were 15 abstentions, 4 votes in favour and 7 against; this authorizes me to advise the House to vote in favour, since this amendment is important.

(...)

*Paragraph 23 — Amendments Nos 16, 43 and 68*

**Mr Spinelli, rapporteur.** — (FR) Madam President, the Committee on Budgets was in favour of deletion; but personally, I am in favour of this amendment because it gives a formal indication of the initiative to be taken.

(...)

*After paragraph 23 — Amendments Nos 26, 59/rev. and 60*

**Mr Spinelli, rapporteur.** — (FR) Madam President, no vote was taken in committee on Amendment No 26 because this idea figures in the decision-making procedure, and so I think that it would be better to withdraw this amendment. The committee's opinion on Amendment No 59, by Mr Taylor, was favourable, and there was no vote on Amendment No 60, since it forms part of paragraph 41.

(...)

*After paragraph 28 — Amendment No 46*

**Mr Spinelli, rapporteur.** — (FR) For reasons unknown to me, the Committee did not vote on this amendment, whereas I advise the House to adopt it.

(...)

*Paragraph 31 — Amendments Nos 23, 75 and 64*

**Mr Spinelli, rapporteur.** — (FR) Madam President, I think that the two amendments by Mr Ansquer and Mr Flanagan should be withdrawn because they have basically been included with new wording. In case they are put to the vote, I would point out that the committee was in favour of Amendment No 75 and against the other one, that I would ask their authors to withdraw them, since there is no point in voting on them.

(...)

*Paragraph 32 — Amendments Nos 47, 65 and 76*

(...)

**Mr Klepsch.** — (DE) Madam President, you said that Amendments Nos 65 and 76 are identical. Is that really true? My group is prepared to vote for Amendment No 76 but not for Amendment No 65.

**Mr Spinelli, rapporteur.** — (FR) These two amendments have become absolutely identical because the committee's version did not read 'could become a central theme of future European electoral campaigns' but 'the central theme'.

Mr Taylor proposed to change it to 'a', and we accepted it.

**President.** — The French versions of the two amendments are absolutely identical.

I call Mr Barbi.

**Mr Barbi.** — (IT) Madam President, we were in favour of Mr Spinelli's initial text, which read 'the central theme' and not 'a central theme'. I do not think that Mr Spinelli has changed this text.

**President.** — I call Mr Spinelli.

**Mr Spinelli, rapporteur.** — (FR) Madam President, I would not like to start an argument about *the* and *a*. But I must in any case stress that the committee adopted *a*. I do not think that there is a great difference, but vote as you like!

(Laughter)

(The President read out the French versions of Amendments Nos 76 and 65 and pointed out that they were identical)

(...)

*Paragraph 33 — Amendments Nos 24, 66, 77, 29, 7 and 30*

**Mr Spinelli, rapporteur.** — (FR) Madam President, the Committee was in favour of Amendment 77, which proposes the deletion of the whole paragraph. The points figure in the text, and so it is unnecessary to sum them up at the end.

(...)

*Annex I — Amendments Nos 79 and 2*

**Mr Spinelli, rapporteur.** — (FR) Madam President, the Committee is in favour of Amendment No 79. Amendment No 2 by Mr Visentini has already been covered by a previous vote, and so there is no point in voting on it.<sup>1</sup>

(...)

**President.** — Explanations of votes may now be given.

I call Mr Romualdi.

**Mr Romualdi.** — (IT) Madam President, ladies and gentlemen, I should like to express greater commitment than is usual in an explanation of vote to support the Spinelli report and to state that, in my opinion, this is the most important matter before this House at the moment. It depends on this matter whether or not the Community can make progress as regards development and the practical realization of its particular policies — industrial, energy, regional and institutional — and therefore whether the Community can achieve freedom of choice and action.

This is an institution which cannot remain static and which by its very nature must enlarge its powers and therefore also its financial instruments in order to achieve a greater scope and range of action. For this reason we feel that the most important problem of all

<sup>1</sup> The rapporteur also gave favourable opinions on

— Amendments Nos 9, 22, 38, 41, 44, 45, 51, 54, 55, 62, 67, 68, 73 and 76;

— and opposed

— Amendments Nos 4, 5, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 28, 31, 39, 40, 42, 53, 56, 57, 58/rev., 61 and 65.

**Romualdi**

involves seeking ways and means to increase the Communities' own resources. To this end, while waiting and preparing for more systematic changes, we hope to be able as soon as possible to abolish or raise the VAT ceiling. We must achieve this measure as soon as possible if we want to bring about the development and the practical realization of European integration.

**President.** — I call Mr Georgiadis.

**Mr Georgiadis.** — (GR) Madam President, I am authorized by the leader of the Greek PASOK Members, Mr Charalabopoulos, to explain our vote on the Spinelli report. We shall be rejecting it for the following reasons:

Firstly, in view of the problems caused by Greece's accession to the Community, any institutional change which might involve increased obligations towards the Community on the part of our country will not receive our approval.

Secondly, we reject any transfer of additional resources from our national economy to the Community budget and any criteria which differ from the national economic and social norms.

Thirdly, the main question concerning the EEC budget is not an increase in its size but its restructuring. Its unsuitability for reducing national and regional economic and social imbalances and its tendency to strengthen particular interest groups make it an ineffective instrument for a policy to restore balance. Only if it can be improved qualitatively within its present limits can we call for a quantitative increase in its role. The budget should therefore first of all be restructured before we can talk about extending it.

Fourthly, the financial consequences during the transitional period of Greek accession are doubtful, despite the artificial return of resources. Once the special transitional provisions expire the financial consequences will be negative, in view of the structure of the Greek economy and the evident trends in Community policy, particularly in the agricultural sector.

Fifthly, the discussion on an increase in own resources cannot come before the discussion and decision on the particular sectors to which the additional resources should be made available. The strengthening of regional and social policies and support for Mediterranean farm produce must be settled before any discussion on an increase in own resources. For all these reasons, Madam President, the PASOK Members will be voting against the Spinelli report.

**President.** — I call Mr Damette.

**Mr Damette.** — (FR) Madam President, ladies and gentlemen, the French Communists and their allies vigorously oppose the report before us, both because of its content and its approach. We refuse to accept any further extension in the European parafiscal system, since its aim is to milk the workers in order to finance the restructuring programmes of the rich industrialists. The further expenditure planned actually means more Davignon plans in other industrial sectors. We are in a position to know exactly what havoc previous such plans have wrought and we refuse to go any further in this direction. Under the ECSC French steel manufacturing areas and coalfields have come more to resemble disaster areas than production areas. Enough is enough. We similarly reject all parafiscal measures, particularly the milk levy, which is making our farmers pay the price for a production-at-all costs policy and bear the brunt of that system's inability to handle the problem of world hunger.

Lastly and above all, we protest against the move towards supranationalism, since the urge towards supranationalism is the direct result of the multinationals' demands. They want a Europe in which they can manage the crisis they have created without interference from individual nations, and so that they can force through plans for restructuring and reorganization of industry without taking account of the class struggle. Policies aimed at supranationalism and industrial reorganization are the inevitable follow-up to the policies of austerity and unemployment. It is, for us, out of the question that we should accept this approach which is disastrous for the workers and turns a blind eye to true international cooperation which is what the world really needs. This supranational approach is in fact one of the components of the imperialistic policy of conflict with developing countries and rejection of true international cooperation. The supranational system which some would like to foist on us, would mean that international relations would be entirely under the yoke of the multinationals. We wish to give impetus to a new world economic order which meets the real requirements of our time, an order based on cooperation between peoples, cooperation which is freely negotiated between sovereign States.

Your draft resolution rejects this approach. We shall oppose it relentlessly, today and tomorrow.

**President.** — I call Mr Galland.

**Mr Galland.** — (FR) Madam President, we shall vote in favour of the Spinelli report because we feel that its approach is the right one.

There are only two possibilities, either we feel that new Community policies are needed, and in that case we obviously need resources to carry them out, or one

**Galland**

thinks the opposite is true and in that case one should reject the Spinelli report.

We do however have some reservations, particularly on paragraph 26 — we feel that weighting would be difficult to achieve — and very grave reservations on paragraph 28. We particularly feel that direct taxation cannot form part of new resources.

In conclusion, Madam President, I should like to say that we were very surprised by the draft amendments tabled by our friends from the EDP group who, in Amendments Nos 9 and 20, demanded a new common policy, and who in all their other draft amendments reject the means of achieving this. We are unable to fathom this paradox.

For our part we follow a logical path and shall vote in favour of the Spinelli report.

**President.** — I call Mr Moreau.

**Mr Moreau.** — (*FR*) Madam President, in spite of the improvements which Mr Spinelli himself, the Socialist Group and the Committee on Budgets have made to it, this report remains unacceptable for two basic reasons.

Firstly, this report requests that the 1% VAT ceiling be abolished in the near future, whereas in our view the first thing we need is a political determination, expressed by national governments, to develop and apply the common policies we have proposed in the fields of employment, industrial, regional, research and energy policies.

Secondly, this report rules out other possible ways of increasing own resources, particularly by raising the common external tariff, and this is unacceptable. The debates we have recently held on the situation in the car and textile industries have shown that our views were shared by other political groups in this House. The Community cannot afford to forego the principle of raising the common external tariff which would permit it to protect jobs and production capacity in Europe against competitors from certain countries outside the Community. It is for these two basic reasons that the French Socialists will vote against this report.

**President.** — I would point out that the text of the annex will be amended to take account of the amendments adopted.

*(Parliament adopted the resolution)*

The proceedings will now be suspended until 10 p.m.

The House will rise.

*(The sitting was suspended at 9 p.m. and resumed at 10 p.m)*

IN THE CHAIR: MR VANDEWIELE

*Vice-President*

**President.** — The sitting is resumed.<sup>1</sup>

17. *Decision empowering the Commission to contract loans to promote investment* (continuation)

**President.** — The next item is the continuation of the debate on the report (Doc. 1-28/81), drawn up by Mr Gouthier on behalf of the Committee on Budgets, on the

proposal from the Commission of the European Communities to the Council (Doc. 1-581/80) for a decision empowering the Commission to contract loans for the purpose of promoting investment within the Community.

I call Mr Moreau.

**Mr Moreau.** — (*FR*) Mr President, my group would like Parliament to vote on whether to postpone the debate on this report, which is important for Parliament and the institutions and constitutes a part of the very fabric of our common market, since we consider that it cannot properly be dealt with at ten o'clock in the evening in a sparsely attended Chamber.

**President.** — Mr Moreau, under the Rules of Procedure, you have the right, as rapporteur, to request postponement, and I think that we can agree to your request.

I call Mr Calvez.

**Mr Calvez.** — (*FR*) Mr President, some of the Members of this Parliament are getting into bad habits. I well understand the request by Mr Moreau, who has a rather important report. It is indeed very unpleasant to discuss it in a sparsely-attended Chamber.

But if everyone makes such proposals as the fancy takes him, we might just as well cancel this night's sitting!

Obviously I leave the decision to Parliament in its wisdom.

**President.** — I call Mr Papaefstratiou.

<sup>1</sup> Urgent debate: see Minutes of proceedings.

**Mr Papaefstratiou.** — (GR) I too appreciate Mr Moreau's feelings, but I think it is detrimental to Parliament's work if we postpone various items and put them all on the agenda for forthcoming part-sessions. I therefore think that the best thing would be for those of us who have come here this evening to finish debating this question, which is in any case very interesting.

**President.** — I call the Commission.

**Mr Andriessen, Member of the Commission.** — (NL) Mr President, I am hesitating somewhat between two views. The one view is that it is most important for the report to be dealt with in the presence of a sufficient number of Members. But this is a report on the Ninth Report on competition which was issued last year. The Tenth Report on competition is about to be issued. For this reason alone it seems to me sensible that there should at last be a debate on the Ninth Report. Therefore, on behalf of the Commission, I should like to urge Parliament to deal with this question this evening.

**President.** — I call Mr Godikas.

**Mr Godikas.** — (GR) Mr President, the agenda indicates that we should be debating the Gouthier report, and now we are suddenly faced with the Moreau report. In response to a request by the Commission representative, Mr Ortoli, it had been decided that we would start on the Gouthier report at ten o'clock exactly. Could you tell me why there has been this change?

*(Parliament rejected the request by Mr Moreau)*

**President.** — I call Mr Beumer.

**Mr Beumer.** — (NL) In this case I have sided with the Commission, since its point of view seems to me to be important. But I have a question: You said that the sitting would last until 12 midnight. But before the adjournment it was stated that it would last until 11 p.m. I should like to know exactly how long the sitting is to last in order to have some idea of what can still be done.

**President.** — Mr Beumer, the President has come to an arrangement with the staff that we should finish at 11 p.m.

I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Konrad Schön.** — (DE) Mr President, ladies and gentlemen, as the German philosopher Hegel said, 'The

owl of Athens begins its flight at eve' and I am grateful that you have been wise enough to give your support so that we who are prepared to work can go on now, particularly since the Gouthier report, for which I should like to thank him, is a matter of extreme importance.

We want to turn something which up to now has more or less been an experiment into a permanent feature of our Community, which as everyone in the Committee on Budgets will know, is coming up against problems of financing to an even greater extent than ever before. This new Community instrument can help us, I think, to raise some capital to protect existing jobs and to create new ones. We can use this instrument to deal with growth problems or in attempts to achieve the convergence within our Community which people are always talking about and I think it is important that this instrument should also be used in achieving industrial aims. I regard this as central to the debate on the Gouthier report, since if I consider the small and medium-sized undertakings within the Community — and this is one of the reasons why the Group of the European People's Party supports Mr Balfour's amendments — this is not merely a question of promoting projects from public funds, as has unfortunately become common practice in many Member States. This instrument may also mean, from the budgetary point of view, a way out of those tight corners in which the Community can occasionally find itself when it is in financial straits. We can use this instrument in our efforts to bring about structural readjustments, to re-establish competitiveness, to establish new conditions of competition and in the interests of capital recycling which plays a major role at world level nowadays. I need only remind you of the results of the recent decision between France and Germany. I should also like, in this connection, to refer the House to the opinion of the Committee on Economic and Monetary Affairs.

However, there is a further aspect. The new Community instrument is one of the operations which takes place outside the budget but which, in the view of my Group, should definitely be budgetized. If we adopt this report we can make a further step towards the budgetizing of credit operations in the Community — although I realize perfectly that difficulties might well arise. But where there's a will there's a way. At any rate, we will insist on this request and would therefore be pleased if the views of the budgetary authority could be explicitly included in the text. The report also mentions the procedure and this is, in our view, a good thing since we hoped to see a final solution to this problem of budgetization. Naturally, the results of the debate so far are only a stopgap as far as we are concerned, but nevertheless they are a step in the right direction.

For the rest, I take the view that Parliament should be consulted on policies to be introduced or financed with the aid of these loans. I therefore call on the

## Schön

Commission to continue in this direction or to realize that in all loan operations, the responsibility and decisions are matters for the Commission and not for the European Investment Bank which, in our view, is only responsible for actually carrying out the banking operations as such.

Since it is very significant operations which are involved here, the question of who bears the responsibility for them must be clarified. There is a permanent dialogue between the Commission and Parliament which makes it easier for the European Parliament to act in a supervisory capacity. It is true that the executive, i.e. the Commission — as a policy-making body must take on the responsibility for this loan policy, but it is nevertheless important that the Council should work on the basis of majority decisions in this matter since we know from experience that the principle of unanimity has an inhibiting effect on the development of the Community. This, however, is an area in which we can get over this inhibiting effect. Secondly, in budgetary questions the Council must — thank God — come to an agreement with Parliament. In the view of the Group of the European People's Party — and this is the central theme of the Gouthier report — this is an essential feature of the budgetary and financial policy of the Community.

Thus we naturally regard it as important that the relation between the Commission and the European Investment Bank should be defined and I need say no more on this point except to refer you to the text. We go along with this, Mr Gouthier. The important point is that this is an economic and social policy instrument and for this reason it is essential that it is made clear to the Commission too — and after all this is in accordance with its own wishes — that what is involved here is the development of a Community instrument for a clear Community policy conducted by the Commission itself. We should like, therefore, for the roles of both bodies involved, i.e. the Commission and the European Investment Bank, to be defined very clearly. For the rest, for the sake of brevity, I would refer to the opinion of the Court of Justice.

The Group of the European People's Party wholeheartedly support the Gouthier report. We urge the Members of the other groups to give their support too.

**President.** — I call the European Democratic Group.

**Mr J.M. Taylor.** — Mr President, I do not wish to take up speaking-time, but I would be happy to give way to my colleague, Mr Balfour, of my group.

**President.** — I call Mr Balfour.

**Mr Balfour.** — Mr President, with the experience which we have gained since October 1978, when a

Council decision gave birth to the new Community instrument, the NCI, it is possible at last to evaluate the Commission's initial efforts and to push for certain improvements.

We, in our group, strongly support the Commission's proposal and we are in broad agreement with Mr Gouthier's report. We believe that proper weight has been placed on the most important aspects of the NCI programme in this report. I do not intend to dwell on those aspects where there is fundamental agreement; I would prefer, instead, to comment on one or two aspects of the Gouthier report which, it seems to me, would benefit from closer inspection, and the amendments which I am placing before this House address themselves to these.

First, I should like to discuss the proposal to abolish the NCI's overall ceiling. The Commission says that since the programme is now launched and appears to be working well and since there is a general wish to convert what started off as an experiment into a permanent feature of Community life, there is no longer any point in keeping to a predetermined limit. Given the fact that the Commission simultaneously accepts the need to have all extensions of the programme by tranches approved by the budgetary authority, everyone seems perfectly relaxed about abolishing the ceiling, and, I agree, it is pointless.

The idea which the Commission thus proposes that several tranches be approved for different sectors in one go is a good one; but it is surely unnecessary for each tranche to be floated following a Council decision, even by qualified majority. It makes the job of those in DG XVIII that much more complicated, it bogs them down with an extra layer of bureaucratic procedure and we do not need it to control the Commission's work. The general idea of global approval is not only administratively simple, but it enables the major dialogue to take place between Parliament, the Commission and the Council on the priorities for investment. This, which could take place once a year, would be ample to protect the budgetary authority's overall control over the programme, and this is what the Committee on Budgets wanted. It would also be ample to ensure, as Mr Delors put it in his opinion, that 'the Commission should assert its responsibility for the political orientation of the NCI', which is, of course, what the Committee on Economic and Monetary Affairs wanted.

Secondly, I turn to the Commission's efforts to inject an important element of treasury flexibility in matching its borrowing and lending activities. I find it odd after reading of the Committee on Budgets' conclusion, that the new proposed system, which would enable capital to be temporarily invested, pending on lending, is one which, and I quote from paragraph 22 of the explanatory statement, 'appears financially sounder than the previous one'.

**Balfour**

I find it odd that the Committee on Budgets should on the one hand so readily and properly agree with the Commission's concern to establish a treasury function and at the same time strike out the last sentence of Article 4. The clue to this surprisingly reactionary and somewhat contradictory attitude is to be found in paragraph 23 of the explanatory statement, where the Committee on Budgets displays its fear that this treasury function would somehow upset the present balance between the volume of borrowing and lending. To the extent that I understand this fear — which is not much — I consider it *de minimis*. The Committee on Budgets should feel totally happy if at the end of each year a small part of NCI's assets show up in the form of a short-term deposit with the EIB. The equilibrium of the capital budget would not, in my view, be upset. And this is why I am suggesting by amendment the restitution of the last sentence of Article 4.

Thirdly, and this is the most important point, we have asked ourselves in this House whether it is right for the Commission to continue relentlessly to put this money alongside that of national government and EIB funds in support of what are, after all, large-scale public-sector investments. Whilst recognizing that the European Investment Bank has well-developed lending criteria and that national governments do not support major projects unless they deem them to be necessary, we have asked ourselves in committee whether the Commission's activities in this field are bringing any real additionality to the system.

In both the report of the Committee on Budgets and the opinion of the Committee on Economic and Monetary Affairs, it is emphasized — and I quote from paragraph 7 of the Gouthier motion for a resolution — that *the raising of loans to promote investment should not be regarded as a supporting instrument for the financial policies conducted by national bodies and the European Investment Bank, but as having a specific role in stimulating economic activity, supporting common policies and attaining the Community's political activities*. This was all along the Commission's wishes. This was the baby of Mr Ortoli himself, who is here in this Chamber. But if the Commission wishes to be imaginative in promoting new investment, I believe they must go beyond the public sector, and this is what brings us to difficulties.

The Commission will not achieve its aims if its NCI programme is restricted to government-sponsored and EIB-financed projects, so the question for the future is very simple and as yet almost insoluble: can the guarantee of the budget alone uphold a lending programme which is directed towards the private sector and towards small and medium-sized entities? Probably not — at least not without a guarantee fund and not without specific appropriations in the budget. It will be for a future debate and a future report and future thought by the Commission to resolve that fundamental question.

(Applause)

**President.** — I call the Liberal and Democratic Group.

**Mrs Scrivener.** — (FR) Mr President, ladies and gentlemen, I shall keep to the basics, and I feel the need to stress how important this draft resolution is, aimed at empowering the Commission to contract loans for promoting investment throughout the Community.

It is obvious that the difficulties we are now undergoing on the question of own resources, emphasize the role which loans can play. I must, however, remind you that loan operations are not a means of financing the Community intended to replace income from taxation, but a supplementary resource. The fact is that most of the measures presently financed by budgetary own resources could not be financed by loans because, unlike the latter, they are of the nature of non-refundable subsidies. The Community does not float loans in order to finance common policies but in order to loan the money to investors who could not gain satisfactory direct access to financial markets.

Having made this preliminary remark, it is undeniable that the Commission proposal goes a long way towards meeting Parliament's requirements, since it would like to see the Community given a real instrument for a support of major Community priorities such as energy, or in order to build on its policy of convergence in order to reduce the economic imbalance between the various regions of the Community, this being in line with the objectives laid down in the Treaty. Therefore, from now on, the NCI will become a permanent fixture and there will be no ceiling on the volume of transactions conducted within it. As Mr Gouthier stresses in his explanatory statement, the Community will in this way be able to pursue a continuous programme of action and the persons providing the capital will necessarily gain in confidence.

We should also like to express our support for the Committee on Economic and Monetary Affairs which, when asked to give its opinion on this question, requested that the expansion of the NCI should involve the extending of its sphere of action to industrial investment in the Community. In this connection, we are particularly responsive to the needs of small and medium-sized undertakings.

Lastly, and in keeping with the stance we adopted during the last budgetary procedure, it would be desirable to increase the use of interest rebates, which should be scheduled in the Community budget.

Having said this, I should now like to state that we do not share the views expressed by the Committee on Budgets, aimed at increasing the control powers of the

**Scrivener**

European Parliament in this area. According to this report, Parliament should in particular be entitled to give its opinion not just on the various loan tranches but also on the policies for which such loans are contracted. Although it is naturally desirable that Parliament should express its views on the broad lines of such policies, it is not this Parliament's task to go into the details of actual projects. Any such situation would in fact cause confusion between, on the one hand, the competence of this House as the body which delivers an opinion on the various proposals forwarded by the Commission and adopted by the Council — it ought to be remembered that this is the situation for borrowing and lending operations — and, on the other hand, the House's competence as one component of the budgetary authority. The Liberal and Democratic Group has for several years been asking that borrowing and lending operations be entirely budgetized. If this were so, then Parliament would be quite free to give its opinion on loan policy. This is because the budgetary authority would then authorize such operations each year, be informed during the year of how they are carried out and lastly, would be able to check after they had been carried out if they had been managed as they should have been.

What, however, do we see actually happening? Even though we deplore the fact, borrowing and lending operations have not yet been actually budgetized. There is only a very large capital budget. Whilst needing to continue, thanks to concertation with the Council — and we naturally desire such concertation — to work towards a rapid achievement of the objective of budgetization, it is nonetheless true that we cannot today take alternative measures. It is in fact unreasonable to entrust certain tasks which normally fall to Parliament as one part of the budgetary authority, to a body which normally only has to act in a consultative capacity on the regulatory aspects of the question. I do not think — and I have already said as much — that the European Parliament has anything to gain by constantly trying to claim terms of reference which the Treaties have conferred on other bodies.

These are, Mr President, the few brief remarks I wish to make. To sum up, I should like to say that we support this draft directive and to a great extent the views expressed in Mr Gouthier's report. We naturally share the feelings expressed in Mr Balfour's draft amendments. However, as I said just now, we are unable to lend our support to the draft amendment to Articles 2 and 6 of the draft decision tabled by the Committee on Budgets.

**President.** — I call Mr Adonnino.

**Mr Adonnino.** — *(IT)* Mr President, ladies and gentlemen, I should like to point out that not more than two hours ago this House, when approving a motion for a resolution concerning own resources and therefore

examining all the means of financing Community activities, stressed once more the importance which should be attached to loans which the Community could contract on international money markets in order to grant in its turn loans to further the productive activities of undertakings in the various countries of the Community. I think that it is no accident if the debate we are now having two hours later relates to a specific motion for a resolution, which is the one submitted by Mr Gouthier, concerning a decision which will make significant and innovative amendments to the present system of financing. In my opinion, the importance of this subject is highlighted by the fact that when the new Community instrument, as this instrument for financing projects has been called, was first introduced, it was on an experimental basis with established ceilings in two tranches of 500 million units of account and with the strict reservation that a definitive decision would be taken at the end of the experimental period.

I now feel that we can — I say we because this Parliament on other occasions too, such as when the system was extended and we passed from the first to the second tranche — stressed the importance of the system — today deliver a positive judgement on the proposal for changing the system from a provisional one to a permanent one, and above all for abolishing the global maximum amounts, thereby leaving a certain amount of freedom from time to time for decisions on the type of intervention and on the tranches of intervention.

The need for diversification of the sectors in which intervention is carried out was particularly stressed and highlighted during the second tranche and now particular attention is being focussed, amongst the various intervention sectors, on that of industrial investments. Therefore, it will be necessary to give an impetus to this new instrument and act in such a way that it will supplement those which are already available.

Naturally, ladies and gentlemen, Mr Ortoli, there will be the problem of the amounts. I think that this problem deserves a little thought. But I decided to take a look at the statistical data on interventions within the Community carried out by the European Investment Bank in the last few years. It would appear that the EIB in its intervention within the Community in 1979 — these are the latest figures we have since those for 1980 will only be available in the next few days — increased its overall financial measures by 28.1% compared with 1978. If we leave aside the huge leap which took place from 1977 to 1978, we can see that in 1979 the increase is only very slightly different from that of 1977. In 1977, however, the new Community instrument did not exist. This is why I should like simply to express my concern that this should be taken into account when the amounts to be devoted to this type of operation are decided upon. I should not like this instrument merely to become a re-financing instrument for the EIB, given that it ought to be, even

**Adonnino**

*vis-à-vis* the EIB, a completely independent instrument aimed at giving further impetus to the normal activities of the European Investment Bank.

My second remark is that it seems to me that a very important instrument of aid is the interest rebate which up to now has been applied together with the system of capitalization as far as the European Community is concerned. I feel on the contrary that a system in which these sums were entered in the annual budget would make for greater transparency and that, in particular if we take account of the variation over the years in which the financing may take place, would cost less to the Community budget. This is why I would be in favour of seeing the capitalization system abandoned where interest rebates are concerned — and this in my view is stated in the motion for a resolution — so that we might instead go over permanently to a system in which such sums are entered into the annual budget.

I should also like to point out, on this occasion, that in addition to this instrument — and this is not a Community task — for this type of loan it would be extremely desirable that we request from the governments of the Member States that they grant to undertakings guaranteed exchange rates. We are going through a time of great uncertainty where this is concerned and I think that the fact for undertakings of being able to benefit from exchange rates guaranteed by their government would give further impetus to this instrument.

Naturally, there is also the question of why the Community should move into this sphere? It should do so because it is obvious that the Community as a whole has a fund-gathering capacity on the capital market at more advantageous terms than those which could be obtained by other institutions or other bodies, since it is quite clear that it is in the process of becoming one — if not perhaps the major — financial power in the Community. Why can it do this? It can do it amongst other things because the whole range of financial instruments which it has available make it possible for it to borrow such money and for it to provide suitable guarantees. And now there arises the problem which we have talked about many times. The Community provides its guarantees through its budget. This is a guarantee based on the Community's solvability, more perhaps than being a guarantee of having substantial assets, but this guarantee means that the Community can intervene on world financial markets.

And so we now come to the quandary in which Parliament finds itself — and it is our duty to mention it once more in this connection — that at some point it is absolutely necessary for these loans to be totally and clearly shown in the Community budget. This is because otherwise what will happen — and this is the point which should be made clear here — is that the Community will guarantee its borrowings through the

budget — with Parliament's approval to lend an air of legitimacy to all this — for matters which are outside its competence, and therefore we ought to ask ourselves if there is any point in continuing to give this type of guarantee or if, on the other hand, we ought to leave this up to those States which wish to remain sole arbiters in this type of decision.

This is certainly not the time to go into precise details on this problem, but I think that it is a problem which will come up again later.

I do not wish to dwell on points already covered by other speakers, because I am aware that it is late and that it would be a bad thing to repeat ourselves. I think that it was necessary to stress the points I have stressed, and, having done so, I should like to say that on my own behalf and on behalf of my group I fully support the Gouthier report.

**President.** — I call Mr Petronio.

**Mr Petronio.** — (*IT*) Mr President, I should like to know how much speaking time is allocated to the non-attached Members, since the number of non-attached Members has increased from 9 to 20 and more and since today we have had two reasons — this one and the Spinelli report — for trying to speak, and we found that we had no time allocated to us.

We should like to know who decides on this speaking time, whether it is the President or someone else, or whether we have to arrange it among ourselves — just so that we know!

**President.** — Mr Petronio, several Greek Members have spoken at some length. I note your comment, and the Bureau will have to look into the question which you have raised. But I would ask you not to press the point just now.

I call Mr Markozanis.

**Mr Markozanis.** — (*GR*) Mr President, you said that the Greeks had spoken at some length on the Spinelli report. I was down to speak on that report and unfortunately you did not call me because there was no time.

**President.** — My remark was simply an attempt to explain the situation. Since I was not in the Chair all afternoon, I do not know exactly how much time each one has left, and it happens fairly often that the first speakers from a group leave hardly any time for the rest.

I call the Commission.

**Mr Ortolì, Vice-President of the Commission.** — (FR) Mr President, it is clear that this debate is important because the Commission and myself have tried over the last few years to make the extension of the borrowing facilities of the Community into an instrument which would serve the interests of Europe.

This New Community Instrument is the confirmation of our policies, it is a proof of our desire to aid investment. It is a versatile instrument, which goes beyond the ECSC or EURATOM instruments since, through it, we wish to be able to intervene in all sectors. It is an instrument which uses the whole range of the Community's competences without, and I shall come back to this point, giving up one iota of the Commission's competences. I should like to state here and now that the European Investment Bank is, after all, an instrument set up by the Treaty. There is a provision for it in the Treaty, and even in its everyday activities it is subject to the opinion of the Commission and this opinion can only be reversed by a unanimous decision of the Board of Directors. This is sometimes forgotten by people who think that the Bank is an entirely separate entity over which we have no control. This is not the case; when we do not agree on something, we have the right to say so and the Board of Directors of the Bank must take a unanimous decision in order to reverse our opinion.

We have now come to the experimental period as has been mentioned. What conclusions can we draw from this? Firstly, I think that the overall record is a positive one, and I should like to say that what we have done is to make a net financial contribution. If we worked with the Bank in a large number of co-financing projects, it should nonetheless be remembered that motorway infrastructures and the like have been financed by the Bank for the last 20 years. By intervening on a number of projects together with the Bank, we have made investment projects advance which otherwise could not have been completed or would have had to have been delayed. This does not mean that the NCI has no role of its own to play. What it does mean is that the intervention of co-financing, particular for infrastructure or energy projects, is almost inevitable.

I should also like to mention that a certain number of priorities have been established and that top priority has been given to energy. At the moment, a good half of the investment we carry out in the Community, using the various instruments we have, is devoted to energy. This of course is necessary for the economic considerations everyone here is well aware of. I should like to add that our cooperation with the Bank has been fruitful and fair. But we have added a certain number of factors to such cooperation, and there should be absolutely no doubt about what they signify. When we refer to cooperation with the Bank, let there be no mistake. When the NCI is referred to, do we mean the Bank or do we mean an instrument which is commonly linked with my own name? The fact is that

if people generally think of the Commission when the NCI is mentioned, this is for a very good reason, some of which are very clear. We make the loans. We propose the sectors for investment, which are then debated here and which the Council takes a final decision on. The projects are submitted to us and no project can be accepted by the Bank before we have selected it. We have an absolute right of veto.

Having said this, what part does the Bank play? It carries out all the actual banking work, and I should like to talk perfectly frankly about this. The Bank is made up of 400 or 450 people. I have 80 or 82 people available to do all the financial work necessary. If you wish to set up another bank, then you must give me the necessary staff to do this. Since for once we are guaranteeing political control, since it is we who decide on the investment sectors, and that we put forward to the decision-making authorities our draft decisions — and that we do this without asking for a single extra civil servant — I should have liked to have heard some of you say well done and thank you — you have not set up another bank; because if I had you would have accused me of duplicating work. We must therefore on this matter be extremely clear and careful. The fact is that I, for my part, do not want any alterations in the agreements linking us to the Bank. This is not because I am afraid of the Bank. This is far from being my problem for the reasons I have already given. My real problem is quite different in nature. In my opinion the task we have is to see to it that the Bank does the real banking work and that we do the policy-making work. This is what is contained in the text which we have presented to Parliament. The result of this system is not a bad one, Mr President, in four years we have more than doubled Community financial interventions. We, that is the Community in the broad sense, with about 4 000 million ECU, are one of the world's major borrowers. This has been achieved discreetly, but, after all, we have a collective right to be proud of our achievements since Parliament has backed us up in this. This is the first remark I had to make and this is why, even though I understand the concern which motivated Mr Gouthier in particular, I should like this honest and open cooperation which has operated so well to be continued along the same lines. I have just given you some objective data. We are the borrowers, we decide what projects are eligible and we sign the loan grants. This is no small achievement.

Secondly, Mr President, I also feel that to an increasing extent the Community should make its mark in other areas, which is why we have proposed that this instrument be actually applied to the industrial sector, as we had wished to see it do from the outset, and in this connection I am entirely at one with the views expressed as regards small and medium-sized undertakings. I think that is a choice area for the type of action we undertake. For my part, I greatly wish to increase this type of intervention, but I should straightaway like to ask Mr Gouthier not to do away with the

**Ortoli**

modicum of flexibility which the text at present contains and which the former text also had. When I borrow money, I am forced to sign the borrowing and the lending agreements on the same day because under the terms of the present regulations I am not allowed to let 24 hours go by. This is an absurd situation. Therefore, this slight leeway — which is a real part of the basic management system, whose conditions can be open to discussion, and which is no more than a facility available to us — I ask that we be left with it. What will happen if we no longer have it? When we carry out major financial operations there is no problem. If I have to sign — as we are going to shortly — a 30 million unit of account loan with the NACE, I can borrow the money and sign the same day. However, when it is a matter of granting global loans to small- and medium-sized undertakings, there may be time lags of three days, for example, which the regulations, the law do not stop us from having. These are things which must be carefully watched.

My final remark, is that there is one point which concerns me in this text. There is no problem as far as the principle of budgetization is concerned, there can't be because we proposed it. On the other hand, there is in my opinion a contradiction in the title 'decision of the budgetary authority'. The truth of the matter is that there is no legal basis for taking such a decision. The whole system is in fact based on Article 235 which lays down a perfectly clear procedure. And I regret to say that this cannot be changed by simply changing the title of the draft decision.

What I am asking for is your help in this matter. We need to borrow money. We need to invest. I hope in this respect to have Parliament's support and I, we the Commission, have obtained it through your report. I should like you to help us so that we can from now on move very fast indeed. This text is dated 30 October and we are still talking about it today.

Mr President, if I were able — because I have as yet to discuss the matter with the Council — to have a text which abolished ceilings and enabled me to initiate new measures in the coming two months, how happy I would be. I therefore ask that in all the debates and discussions which will take place subsequently with the Council, this absolute priority — which is that Europe must intervene more strongly in a number of investments to uprate competitiveness, improve growth and boost employment — that this absolute priority which as I have stated we all share, should be given a specific form as soon as possible.

I have given you my reactions to a number of amendments and I want to make clear to you that I shall not

abdicate my responsibilities in this matter. I did not think up and conceive of this plan, I have not fought for it, just to let it drop, or to give it over even to people I esteem and with whom I have very frank and fair dealings. In this respect, you can have complete faith in me. This policy is my baby, and in general, you should trust me, but you must also help me to convince the Council that it too must act quickly. Because I should like to be able as soon as possible to put to you the future financial operations of the NCI, which go beyond the thousand million ECUs which we have already referred to. I need this money for the decisions which have already been taken alone, for example for the Italian earthquake disaster. Those, Mr President, were the few brief remarks I wanted to make.

**President.** — The debate is closed.

The motion for a resolution, together with any amendments, will be put to the vote during the next voting time.

I call Mr Moreau.

**Mr Moreau.** — (*FR*) Mr President, I just wanted to know at what time I will be able to present this report.

Relying on the agenda which had been laid down, I have made a number of arrangements for tomorrow afternoon, and if my report is dealt with after midday, I shall not be able to present it.

**President.** — Mr Moreau, the President must follow the usual procedure. Items to be dealt with by urgent procedure always come first. In principle, your report should come up at about midday. I shall consult the Bureau on what to do in this case since it is important for the rapporteur to be present.

I call Mr Leonardi.

**Mr Leonardi.** — (*IT*) Mr President, I request that my report be postponed to the next part-session.

**President.** — We shall see about that tomorrow.<sup>1</sup>

The sitting is closed.

(*The sitting was closed at 11 p.m.*)

<sup>1</sup> Agenda for next sitting: see Minutes of proceedings.

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IN THE CHAIR : MR ROGERS

*Vice-President*

*(The sitting opened at 9 a.m.)*

**President.** — The sitting is open.

1. *Approval of the minutes*

**President.** — The minutes of proceedings of yesterday's sitting have been distributed.

Are there any comments?

I call Mr Patterson.

**Mr Patterson.** — I am sorry to have to make a comment on the minutes so very early in the day. It refers to the very last item in the minutes: 'The House rose at 11 p.m.' This should read, 'The House rose at 10.58 p.m.' Now this may seem a very trivial matter, but it is important, because by rising two minutes early yesterday evening it made it impossible to put a proposal to return to the original agenda, i.e., to continue

**Patterson**

business until midnight. Now this is very grave, because although there had been a decision earlier that we might finish at 11 o'clock, 11 o'clock had not arrived and it was perfectly in order for somebody else to move that the House should continue until midnight. There was unfinished business on the agenda and there were Members present able and willing to discharge it; therefore it seems to me extremely grave that the sitting should have been closed early without the proposal being allowed to be put.

*(Applause)*

**President.** — I call Mr Hord.

**Mr Hord.** — Mr President, in view of the situation that developed at 10.58 yesterday evening, I wonder whether the President will rule on the fact that the European Democratic Group was precluded from utilizing the whole of its speaking-time. At 10.58 there were still 17 minutes due to this group, and I would like to have confirmation that those 17 minutes will be added to the group's time during the next part-session.

*(Laughter)*

Secondly, in view of the fact that the President yesterday evening decided to close the proceedings one hour early, I do hope that that will destroy the myth that the House is so busy that it might need to have an additional part-session to deal with its business.

*(Applause)*

**President.** — I certainly note your point. I will suggest to the technical people who operate this hemisphere that there should be some coordination — for that clock says 9.06, this clock says 9.08, which means that whoever is sitting here is two minutes ahead.

The President closed the sitting at about 11 p.m. because it was agreed earlier that we should finish at 11 p.m.

I call Mr von der Vring.

**Mr von der Vring.** — *(DE)* Mr President, if minutes are to be saved and carried forward and an account for them opened, will any interest accrue on them?

*(Laughter)*

**Mr Bangemann.** — *(DE)* Since when have you been so capitalist-minded?

*(Parliament adopted the minutes)<sup>1</sup>*

## 2. Decision on urgent procedure

**President.** — The next item is the decision on requests for urgent debate.

We begin with the motions for resolutions by Mr Ippolito and others (Doc. 1-128/81) and by Mr Adonino and others (Doc. 1-135/81 on the Franco-German loan.

I propose to take a single vote on both motions.

I call Mr Ippolito.

**Mr Ippolito.** — *(IT)* Mr President, I only wish to point out that there is a typographical error in the first indent of the motion for urgent procedure; at the end it should read 'for the energy sector' instead of 'for the steel industry'. I believe the error was made in all the translations.

There is no need, I think, to explain the whys and wherefores of this request for urgent procedure, inasmuch as a question like this regarding a unilateral loan is without doubt very serious and completely upsets the entire European monetary system. I therefore insist on urgent debate.

**President.** — I call Mr Moreau.

**Mr Moreau.** — *(FR)* I oppose the application of urgent procedure to this resolution, not because it does not concern a very important question — I believe this is a fundamental issue for our Community — but because I feel we have an interest in this matter being considered in depth by the appropriate committee. I therefore call on the Assembly to reject this request so that we can study and examine the matter in detail with the utmost speed.

*(Parliament adopted the request for urgent procedure, and the item was entered on the agenda of the sitting in progress)*

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**President.** — We proceed to the motion for a resolution tabled by five political groups on the situation in Poland (Doc. 1-129/81).

<sup>1</sup> For information on documents received, texts of treaties forwarded by the Council, petitions, and membership of committees, see the minutes of this sitting.

**President**

I call Mr Fergusson.

**Mr Fergusson.** — Mr President, this resolution is by way of winding up the remarks made on Poland on Wednesday rather than inviting another long debate on this matter. I think we have covered most of the subjects. I just want to point out that the European Council itself, the German and the United Kingdom Governments and all the allied governments concerned with security have all declared their position on Poland and the consequences that would follow if an invasion of Poland did occur. I think it is time that it was made unequivocally clear that the elected representatives of the European people support their governments and these bodies in this particular matter. This is our chance to do so.

**President.** — I call Mr Kappos.

**Mr Kappos.** — (GR) Mr President, in the last few days the European Parliament has been turned into a centre of anti-Communism, anti-Sovietism, tension and cold war. I don't know what my other colleagues feel about it, but it reminds me of the court-martials during the period of dictatorship in Greece, when the prevailing climate was very similar to what we have here. I am sorry to have to say this, but it is a fact.

The motion for which urgent debate is being requested and the speeches made over the last few days amount to blatant interference in the internal affairs of the People's Democracy of Poland and are a source of encouragement to the anti-socialist elements to continue their subversive activities. If the other side were to do something similar, we all know what those who are making such loud noises now would be doing. Even more important than this, however, is the fact that all this sudden talk about the Soviet threat can have only one aim — to bring Western Europe even further under the control of the USA: this is really what lies behind this anti-Soviet campaign and all this talk of the Soviet threat.

Mr President, I feel my colleagues should understand that if Parliament wants to be taken seriously its first and foremost concern should be the pressing problems of the people of the EEC countries — problems of peace, unemployment and the cost of living — and not with moves designed to increase tension. Finally, all my colleagues should understand that, whether they like it or not, we are here to stay both in Parliament and outside of Parliament. We are here to stay because there will always be a working class, there will always be the people. My colleagues, therefore, must come to terms with this fact and respect our ideas and opinions in the same way as we respect theirs.

Mr President, in view of the fact that we are aiming to reduce friction in international relations, we are

opposed to both the request for urgent debate and the subject-matter of the motion.

**President.** — I did not interrupt you, Mr Kappos, because you are relatively new in the Parliament, but Members should please confine themselves to their reasons for or against urgent procedure and not debate the subject-matter.

I call the Socialist Group.

**Mr Hänsch.** — (DE) Mr President, I am opposed to the application of urgent procedure to this motion, although for completely different reasons from those advanced by the previous speaker.

I am finding it more and more difficult to understand what the centre and right-wing of the House want, since they frequently oppose the flood of requests for urgent procedure at the end of a part-session, and rightly so.

We have already considered the situation in Poland and the European Community's position on Poland twice this week. We debated Poland on Wednesday. Yesterday we discussed and adopted an urgent motion tabled by the Christian Democrats. We have done our duty by ensuring that the European Community helps the Poles — and now we are being asked to debate and adopt a motion hastily put together on Thursday.

Ladies and gentlemen, in no parliament in the world would you allow this kind of thing, would you come forward shortly before the gates closed with motions so hastily put together in so difficult an international situation.

I wonder what the authors really want. Do they want to help the Poles or do they want to achieve some kind of self-satisfaction with resolutions? Poland needs our solidarity and not motions which have been hastily put together and which do not improve the situation but are more likely to make it worse.

(Applause)

**President.** — I call Mrs Macciocchi.

**Mrs Macciocchi.** — (FR) Mr President, I am in favour of urgent procedure.

(IT) I don't believe that I am to the right of Msrs Kappos and Hänsch; it is precisely because I hate anti-Communism as much as I hate cold war that I feel it is vital for this Parliament to rise above political divisions and make a strong commitment in support of the workers' movement in Poland. Such objectivity on our part will demonstrate our real independence from the United States. The argument which was used a

**Macciocchi**

moment ago can therefore be turned around. We have examined the bitterest and most difficult situations in the world today, including that in El Salvador. I believe we also have the right and the duty to confront problems which closely concern certain political convictions. We must reject ideological terrorism, and have the courage to intervene, even where the political system in power is one which we feel to be more valid than our own.

I would like to add, Mr Hänsch, that there is no question here of Parliament's being rushed into a hasty decision. In the previous sitting I had already presented a political resolution in support of the Polish workers which contained the statement that Community aid to Poland is not charity, but rather something which permits the free expansion of the workers' movement. It represents an effort to provide support for those whom we see not as beggars but as respected partners. The Christian-Democratic motion for a resolution went much too far in my opinion; it bore the imprint of international influences. For this reason I presented another resolution, which has now acquired more or less general sponsorship. The House will now vote on this resolution, taking time for mature consideration and retaining the greatest respect for Polish democracy, which it is attempting in this manner to support.

**President.** — The Communist and Allies Group has the floor.

**Mrs Squarzialupi.** — *(IT)* Mr President, I only wished to say that respected parents with strong characters scold their children infrequently and in few words, while weak parents speak volubly and often without obtaining any result. With its continual references to the situation in Poland, our Parliament reveals its weakness. If it were a strong Parliament, it would talk much less, but on those few occasions it would be believed.

*(Parliament adopted urgent procedure, and the item was entered on the agenda for the sitting in progress)*

**President.** — We now come to the motion for a resolution by Mr Klepsch and others on the European Council in Maastricht (Doc. 1-134/81).

I call Mr Klepsch.

**Mr Klepsch.** — *(DE)* Mr President, the motion speaks for itself. For reasons I am unable to explain, the House omitted to deliver an opinion at the end of its debate on the Maastricht summit. That is why we have tabled this motion.

**President.** — I call Mr Glinne.

**Mr Glinne.** — Mr President, I would remind the House that Parliament had a long debate on this subject here on Wednesday. Every possible argument has already been put forward. I find the resolution now before us particularly weak, and I really do not think it justifies the application of urgent procedure. We shall therefore be voting against urgent procedure.

*(Parliament adopted urgent procedure, and the item was entered on the agenda of the sitting in progress)*

**President.** — I hope those people who have put the motions down will stay for the debates.

*(Applause)*

### 3. *Exploration and extraction of uranium*

**President.** — The next item is the report (Doc. 1-949/80) by Mr Ippolito, on behalf of the Committee on Energy and Research, on the

proposal from the Commission to the Council (Doc. 1-349/80) for a decision adopting a second programme of research and development for the European Atomic Energy Community in the field of uranium exploration and extraction (Indirect action 1981-84).

I call the rapporteur.

**Mr Ippolito, rapporteur.** — *(IT)* Mr President, ladies and gentlemen, the resolution I am presenting concerns the Community decision to adopt a second programme of research and development in the field of uranium exploration and extraction. As I explained at greater length in describing the reasons for the motion, this is a modestly funded but ambitious project, a continuation of a four year programme with the same characteristics: a good scientific approach and extremely meager financial support. The funds are to be distributed in the form of modest research contracts, none of which are to exceed 500 thousand EUA. The Commission's new four year programme provided for a maximum expenditure of 8 million EUA equally divided between contracts for exploration and contracts for extraction. The objectives of the programme, however, seem to be disproportionately ambitious in relation to its financial resources, which are totally inadequate.

It is impossible, moreover, to perceive in the documentation any coordination between the indirect action of the Commission and direct national action in the same sector. The programme is completely lacking in demonstrative action, which would be very desirable in the field of public information regarding the environmental consequences of uranium exploration and the eventual exploitation of mines. Such action undertaken by the Community could be extremely signifi-

**Ippolito**

cant, and could undoubtedly be carried out even with the restricted means destined for this programme by the Commission.

The Community imports approximately 80 % of its uranium supply, and, considering the fact that world uranium resources are limited and new exploration efforts necessary at a steadily increasing rate, a more decisive and better coordinated type of action is desirable.

It is essential that the Community develop a more coherent policy, taking into account the provisions laid down in section V of the Euratom Treaty.

The resolution, therefore, although approving a programme limited to two years only so as not to interrupt current contracts, proposes that the Commission be requested to re-elaborate a plan of action in the light of the considerations we have briefly put forward here, and which are dealt with more fully in my report. The Commission is invited to present a new outline for research and development in this area in the course of 1981, a programme coordinated with national initiatives and included in the general programme which has been announced for the raw materials sector. In the resolution, I propose the approval of a programme limited to two years, provided that it is accompanied by such a commitment on the part of the Commission.

**President.** — I call the Socialist Group.

**Mr Linkohr.** — *(DE)* Mr President, ladies and gentlemen, as we have already discussed this programme in very great detail in committee and considered the most important projects — as Mr Ippolito has already said — I should like to concentrate very briefly in my statement on two points. Firstly, I believe — and this view is shared by at least the majority of this House — that if we are to have security of energy supplies in the foreseeable future, we cannot do without nuclear energy. This Community must therefore be involved in the relevant raw materials policy, that is, in the decisions on uranium supplies.

Secondly, we should not release the European Community from its joint responsibility for the security of uranium supplies. This would in no way entail a change in national programmes. Otherwise, there would be no gainsaying those who consider the policy on uranium and security to be a national matter and say: This has nothing to do with you. We should point out that anything to do with security concerns the European Community. That is why we do not want to release the European Community from its responsibility.

The Community's supply agency has often been attacked by one Member State in the past in discus-

sions, on Article 6 of the Euratom Treaty, for example, the intention being that we should revert to national systems of uranium supplies.

The research programme is not very extensive, as Mr Ippolito has already mentioned. By far the greater part will be in the hands of the Member States. It is no more than a demonstration of our having a foot in the door, as it were, so that we can have a say in the matter.

I therefore welcome this research programme.

**President.** — I call the European Democratic Group.

**Mr Seligman.** — Mr President, the Parliament has been holding up action on this research programme, which is just a continuation of research into methods of finding and extracting uranium in the Community. There is at present an apparent glut of uranium, but this is purely temporary, being due to the recession and to the halting of nuclear power by the Green Movement in several countries. This glut, as I say, is purely temporary. In the next 20 years nuclear power is bound to take off, and except in France there is very little uranium indigenous to the Community. So my colleagues and I regard it as vital that the Commission commit themselves this morning to really potent action on this programme.

**President.** — I call Mrs Van den Heuvel.

**Mrs Van den Heuvel.** — *(NL)* Mr President, the resolution before us today points out that the Community's uranium needs are growing considerably with the building of new nuclear power-stations. It thus approves the Commission's proposal that support should be given to the second programme of research and development in the field of uranium exploration and extraction. Although I am not a member of the Green Movement so abominated by Mr Seligman, I feel that the operation of nuclear power-stations entails unacceptably high risks for the public as is evident from a series of accidents or near-accidents at many places in the world, Harrisburg being the most obvious example. I am therefore utterly opposed to research into the possibilities of extracting uranium, which is, after all, required in such large quantities only as a basic material for nuclear power-stations.

Paragraph 5 of the resolution refers to Community measures to inform the sections of the public concerned of the environmental consequences of uranium exploration and extraction and to avoid any threat to the environment and to the public. Here again, we already have some practical experience. It is not possible to protect the public against health hazards in such projects. An information campaign

**Van den Heuvel**

will therefore merely result in the public's having false expectations as regards safety.

Anyone who wants to know what uranium extraction means for the public living nearby need only listen to the Indians in the United States, many, many of whom have suffered as a result. In this respect, I advise everyone to read the report on the Russell tribunal recently held in Rotterdam.

As politicians, we have a duty to protect the citizens of Europe. We must not place them in danger. I shall therefore be voting against this motion for a resolution with great conviction.

**President.** — I call the Commission.

**Mr Giolitti, Member of the Commission.** — *(IT)* Mr President, ladies and gentlemen, I wish first of all to thank on behalf of the Commission the rapporteurs and the members of the Committee on Energy and Research and the Committee on Budgets for their report and for their opinion on the new programme for research and development in the field of uranium exploration and extraction.

As you know, the first programme was adopted under Article 7 of the Euratom Treaty, and was aimed at contributing to the Community policy of natural uranium supply. The second programme, originally presented by the Commission, provided for a four-year initiative to run from 1981 to 1984, with funding of 8 million EUA and no enlargement in the present staff.

In the draft report for the COREPER, the group on atomic affairs expressed the opinion that, as a compromise, the first research and development programme on uranium exploration and extraction can be extended for another two years, that is, until 1982.

The technical side of the programme will be elaborated by the Commission, with funding of 2 400 000 EUA, 60% to be earmarked for exploration and 40% for extraction. These are the modifications to the Commission's initial proposal, which obtained a favourable opinion from the Scientific and Technical Committee and the Economic and Social Committee. The Council will then decide, in conformity with the resolutions of 20 December 1979, whether the research and development programme on uranium exploration and extraction should be included in a broader and more general programme of research and development in the raw materials sector.

The programme which is now being proposed is a continuation of the first programme, but the areas for research and development were broadened to permit the introduction of new techniques and to respond to

the increasing demands of environmental protection. It must also be borne in mind that the accession of Greece to the Community will raise some new problems in the fields of exploration and extraction.

The Commission believes it is essential to continue the work of research and development in the upcoming years so that certain research projects, which could have a significant industrial impact in the short and medium term, inside and outside of the Community, can be brought to completion.

I will now comment briefly on some points raised in the report of the Committee on Energy and Research.

Coordination in research and development in the uranium exploration and extraction sector is guaranteed on the one hand by the consultation committee for the administration of the programme, which includes representatives of all the Member States, and on the other hand by a frequent exchange of opinions with the national authorities in charge of similar research and development. There is no possibility of overlapping; rather there is complementary action on the research and development level.

In the report, the piecemeal distribution of funds in small sums to many different projects is considered as counterproductive, but in research large sums are not always necessary in order to obtain meaningful results. Various contracts to which the Commission has made relatively modest contributions have resulted in new techniques of exploration and extraction.

The report then mentions the large number of areas for research listed in the programme. This list, though at first glance excessively lengthy, has proved to be very useful in practice, for it permits the inclusion of new ideas and a better selection of proposals. The technical problems related to the reduction of environmental damage in the uranium mining industry have been taken into account in the framework of the present programme. In fact, only such technology can succeed in minimizing risks for local environments and populations. Problems of this nature undoubtedly deserve particular attention.

Finally, I would like to call Members' attention to the fact that the proposals of amendment presented on pages 7 and 15 of document 1-949/80, of 10 March 1981, are no longer to be applied, given the terms of the compromise solution formulated in the Council. The uranium research and development programme for 1978-80 will simply be extended for two more years, with a supplementary allocation — as I have already mentioned — of 2 400 000 EUA, the technical annex remaining identical to what is set down in document COM/80-382. There is no longer any reason for the Commission to modify its own proposal on the basis of Article 119, paragraph 2, of the EAEC Treaty.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote the next voting time.

#### 4. *Recruitment of officials*

**President.** — The next item is the report (Doc. 1-87/81) by Lega, on behalf of the Committee on Budgets, on the proposals from the Commission to the Council for

I. a Regulation introducing special and temporary measures applicable to the recruitment of officials of the European Communities in consequence of the accession of the Hellenic Republic (Doc. 1-637/80); and

II. a Regulation introducing special and temporary measures to terminate the service of officials of the European Communities in consequence of the accession of new Member States (Doc. 1-369/80).

I call the Legal Affairs Committee.

**Mr Tyrrell, draftsman of an opinion.** — Mr President, these two proposals, which concern the Staff Regulations, came to the Parliament by letters of 9 September and 25 November: the Legal Affairs Committee gave its opinions respectively on 22 January and 18 March. It was therefore a little surprising that this week there should be a request for urgent debate so that the matter could be dealt with this morning. In fact these matters have both been urgent since last year. They each impinge on the question of making room in the staff of the institutions for Greeks, as a consequence of Greece's accession. Greece has been a Member now for over four months and these regulations have still not been made.

Now as regards the first proposal, as it is described in Mr Lega's report — the second in point of time — there are no problems as between the Committee on Budgets and the Legal Affairs Committee. It seeks merely to suspend the provision of Community law that nationality may not be taken into account when considering appointments for a limited period, to enable Greeks to come into the Community staff.

As far as the other proposal is concerned, however, a gulf has opened between the Committee on Budgets and the Legal Affairs Committee. I was instructed by the Legal Affairs Committee to put forward our opinion by way of amendments to the Committee on Budgets' report, and that is what I now do. It appears, from what one has seen, that the Committee on Budgets did not, in fact, consider the two reports which had been prepared with some care by the Legal Affairs Committee.

Now as far as this other proposal is concerned, the Commission urged us to enable them to offer early

retirement, and indeed cause early retirement, to a limited number of officials in grades A 3 and A 4, over a period of five years, first in order to enable Greeks to come into the Community service and second, because, as they explained, as a result of the reorganization they are carrying out in the wake of the Ortoli and Spierenburg reports they expect to have about 12 officials in each of those grades with no adequate work to do, over each year, for a period of about five years.

Now the Legal Affairs Committee's reaction to this was that greater flexibility is needed in the interests of the efficiency of the Community and that the safeguards built in, namely the precise numbers involved and the money to be spent on this, should be determined each year by the budgetary authority. We were perfectly satisfied with that and, indeed, commended the proposal. We heard representations both from the unions concerned and from the Commission, and no one advanced to us the case that is now put forward by the Committee on Budgets — namely, that the period should be limited to December 1982, it should be limited to Grade A 3 and not Grade A 4, and the numbers involved should be only 25 in all. Now those matters were never advanced to us, and no reasons were put forward for them, and I have yet to hear of any reasons for them. For those reasons the Legal Affairs Committee's amendments stand, and I would invite the House to act on the basis of the Legal Affairs Committee's report.

**President.** — I call Mr Plaskovitis.

**Mr Plaskovitis.** — (GR) Mr President, the Lega report is being discussed in connection with the request for urgent debate tabled by the Socialist Group. We know that the aim of the report is to amend the Staff Regulations of officials of the European Communities so that a number of posts reserved for Greek officials can be created. The report states, however, that the period for making these posts vacant should be limited to the end of December 1982 and that these posts, which are not to go above Grade A 3, should not exceed 25 in number. Furthermore, it makes no definite proposals to meet the immediate need for Greek officials, translators and administrators at lower grades. According to the figures I have been able to get hold of and those mentioned in the Fourteenth General Report on the Activities of the European Communities, there are a large number of posts which are unfilled. I am not going to take up your time by reeling off a list of statistics. The fact of the matter is that from 1979 — when it was already known that Greece was about to enter the European Community — until the present day there has been no serious attempt to employ sufficient staff in the administrative and translation sections on the scale needed to ensure that Greek Members of Parliament can carry out their work unhindered. Consequently, even today we receive a large number

**Plaskovitis**

of documents which are either not translated into Greek or which are poor translations and documents are late in arriving. The situation is even worse in the parliamentary committees, despite the fact that we have already been participating in parliamentary work for four months. The working conditions of Greek translators and interpreters are much worse than those of their colleagues from other countries. This is highlighted by the fact that only eight or nine Greek interpreters are working in this Chamber at the moment on temporary contracts which run until 30 June 1981. I fail to understand why almost all the Greek officials who are employed do not have permanent contracts but are working as temporary staff and why those candidates who were successful in the external competitions and whose names were placed on the short list have not been employed as officials.

I have a strong suspicion that these delays are not unconnected with the Greek Government's attempts to use obstructive tactics to ensure that officials of its own choice are employed. The view that there should be a bar on candidates whose ideological and political views differ from those of the Greek Government as regards its attitude towards the EEC and its foreign policy in general has previously been referred to: this is, in fact, yet another instance of the Right attempting to control the opinions of Greek officials even beyond the borders of Greece. PASOK, on whose behalf I am speaking, is opposed to all political and any other kind of discrimination in employing officials to work in administrative and other posts in the EEC. We protest about the existing situation and we must abstain during the vote on the Lega report, since it does not contain any definite proposals for solving the problem in a swift and determined manner. On the other hand, we do support Mr Glinne's motion for a resolution.

**President.** — I call the Commission.

**Mr Richard, Member of the Commission.** — Mr President, this report deals with the two draft regulations which are vitally necessary if the institutions are to be able to recruit officials of Greek nationality at all levels within a reasonable period. We are already in the second quarter of the year and the Commission is not yet in a position, for example, even to begin the recruitment of officials at head-of-division level, translators, etc. The Commission is therefore particularly grateful to the Parliament for having agreed to deal with these two draft regulations during the April part-session. I should like to express, on behalf of the Commission and, in particular, on behalf of my colleague Mr O'Kennedy, our appreciation of the efforts which the rapporteur, Mr Lega, has made to find a solution acceptable to all concerned.

I shall deal with the two regulations separately: first, the one on recruitment. This, as Mr Lega points out, is a purely technical measure but an important one. It

enables the institutions to reserve posts for Greek nationals for a limited period up to the end of 1982 by suspending certain provisions of the Staff Regulations and particularly the last sentence of Article 27, which states: 'No posts shall be reserved for nationals of any specific Member State'. May I stress, however, to the Parliament that all the other safeguards of the Staff Regulations concerning recruitment remain intact, that the institutions retain full responsibility for impartial selection and the appointment of officials.

Here I should like to deal specifically with the point raised by the last speaker in this debate. As far as the Commission is concerned, recruitment will be solely on the basis of merit, as indeed it should be, and it will be. Finally, I am glad to note that the Parliament seems to approve the Commission's proposal for the recruitment regulation — at least in its general terms.

Now the second one on early retirement. The Commission regrets that Mr Lega has not felt able to recommend an equally wholehearted endorsement of the second regulation dealing with early retirement. This is due, in our view, to misunderstandings about the scope and the nature of the measures proposed and about the way in which they complement other measures which the Commission has proposed following the Spierenburg and Ortoli reports.

I should like to make three points in relation to the early retirement regulation. First, the Commission proposal was designed to provide a framework for those early retirements which will be needed in connection with the enlargement of the Community — that is, the accession of Spain and Portugal as well as Greece. This is important in order to deal with serious promotion blockages in the A 3 and the A 4 grades.

Secondly, the draft regulation as proposed by the Commission is identical with the corresponding provisions of 1972 and 1973 in the extent to which it is based on the voluntary element. The Commission has no difficulty with paragraph 3 of Mr Lega's resolution, which urges that the measures to terminate the services of officials should be carried out as far as possible on a voluntary basis. That is precisely what happened in 1972 and 1973. At the same time, it is clearly essential that the institution should be in a position to take the initiative if it is necessary and to ensure that the early retirements which take place are genuinely in the interests of the service. The 1972-73 early retirement measures were applied without particular friction or difficulty, and there is no reason to suppose the result will be any different on this occasion.

Thirdly, the Commission welcomes the proposal contained in paragraph 4 of Mr Lega's resolution that there should be discussions with the Council and the Parliament on the full range of proposals for revising the Staff Regulations which are now before the budgetary authority. The Commission has already had

**Richard**

preliminary discussions with both the Council and the Parliament. It is anxious that these proposals should be examined and dealt with as a whole and not on a piecemeal basis. The Commission is in no doubt that further discussions will do much to clear up the misunderstandings which unfortunately continue to exist in relation to a number of the measures proposed.

Mr President, may I make the purely technical point that so far as the term 'requests' in Article 1 (5) is concerned, I should like to make it clear that the Commission interprets that as requests which are in fact accepted by the Commission.

The Commission's position on Mr Lega's motion for a resolution may therefore be summed up as follows. We are not convinced that the changes suggested to the early retirement regulation are necessary given the safeguards about the number of posts and the voluntary element in the measures to which I have referred. Nevertheless, in view of the need to release posts quickly at the A 3 level and to allow the Commission and other institutions to go ahead with the recruitment of Greek officials, the need of which is indeed urgent, as has already been pointed out in the course of this debate, the Commission is prepared to accept the amendments proposed by Parliament to the draft resolution and, therefore, consequentially to modify their own proposals.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting-time.

##### 5. *Inter-institutional dialogue on certain budgetary questions*

**President.** — The next item is the report by Mr Adonnino, rapporteur for Section III of the 1981 budget, Mr Ansquer, rapporteur for Sections I, II, IV and V of the 1981 budget, Mr Dankert, rapporteur for Section III of the 1980 budget, and Mr R. Jackson, rapporteur for Sections I, II, IV and V of the 1980 budget, on behalf of the Committee on Budgets, on the inter-institutional dialogue on certain budgetary questions (Doc. 1-77/81).

I call Mr Adonnino.

**Mr Adonnino, rapporteur — (IT)** Mr President, ladies and gentlemen, I also speak for those of my colleagues who are, with me, rapporteurs on this same topic on behalf of the Committee on Budgets.

The problem we are dealing with is certainly not a new one. Parliament will remember that in the course of the budget procedure we were several times

confronted with procedural difficulties which are substantially significant in themselves, and therefore capable of directly affecting the solutions to be subsequently adopted. This is especially the case for the inter-institutional dialogue with the Council, in which the Commission naturally participates. Parliament knows that these problems were often sources of friction, exercising a negative influence on what would be the positive result of the budget procedure, which is itself already extremely complex.

Parliament will remember, however, that over the years some slow progress has indeed been made during the sessions of collaboration with the Council; this shows how much remains to be done, not only on the reform and on the general approach to certain institutional problems of the Community, but also on the correct interpretation and application of the rules now in force.

Parliament has given its attention to this problem in the past, and you will certainly remember — I refer especially to those who were also members of the previous legislature — the reports by the Committee on Budgets which were presented on this subject in 1976, 1977 and 1978 on behalf of Mr Cointat, then chairman of the subcommittee. I myself, in last December's resolution concerning the 1981 budget — a resolution which was subsequently not adopted by Parliament for other reasons — proposed that Parliament should take the initiative to meet with the Council and the Commission before the period reserved for the budget procedure — that is, in the opening months of the financial year — to deal with these problems at a time when they have not yet become particularly controversial.

Personally, I can say that — if my information is correct — the Council has on several occasions expressed its approval of this type of initiative.

For this reason, the Committee on Budgets submits to this Assembly a request for a mandate permitting the immediate initiation of an inter-institutional dialogue with the Council and the Commission. It is already mid-April; the budget procedure begins in the second half of the financial year, and therefore there remains but very little time to deal with the problems, and I will certainly not list them now in detail. They have to do, among other things, with the organization of the work: the transmission, for example, to Parliament by the Council of data and information which Parliament does not normally possess, while the Council, on the other hand, has all the data concerning Parliament, since it participates not only in the plenary sessions but in the meetings of the Committee on Budgets as well. There is also the problem of the budgetization of the loans of the European Development Fund, the problem of the classification of compulsory and non-compulsory expenditure, and the very important problem of the 'legal basis': that is, whether it is necessary, in order to enter a line of credit in the budget, to

**Adonnino**

be in possession of a decision other than that made during the budget procedure when the appropriations are determined. There are also other very important problems involved, which have to do with the application of the maximum rate to commitment appropriations, the balance between commitment appropriations and payment appropriations, and Parliament's opportunity to take advantage of its own margin of increase for non-compulsory expenditure — for we all know, ladies and gentlemen, that with the current procedure, which obliges us to approve ample appropriations on the first reading so that we may choose among them on the second reading, we are in fact yielding Parliament's powers of choice to the Council when it declares itself on the second reading.

Such are the problems in question, and since the Assembly is familiar with them we will do no more than mention them this morning, without pursuing them further. I do believe, however, that these matters are important. The budget procedure soon to be initiated represents an affirmation of the power of this Assembly, whose decisions, though made on other occasions, will find their sanction and concrete application in the budgetary document which authorizes their financial support. If, as we hope, this inter-institutional contact with the Council brings about, at least in part, the desired results, we believe that we will have made a valid contribution to the solution of important institutional problems confronting the Community.

It is with this in mind that, not only on behalf of the other rapporteurs who prepared this report with me, but also on behalf of the entire Committee on Budgets, I call upon this Assembly to approve the mandate requested in order to hold these inter-institutional meetings with the Council, the results of which will naturally be made available to the Assembly.

**President.** — I call the Liberal and Democratic Group.

**Mrs Scrivener.** — (*FR*) Mr President, ladies and gentlemen, we shall, of course, be supporting this resolution. As you know, it has been tabled on account of the constant difficulties that have emerged between the Council and Parliament over the establishment of the budget. Following these major difficulties, I raised the question of improving the procedure for conciliation between the two branches of the budgetary authority, and the attempt is now being made now to arrive at a common interpretation of the budgetary provisions. We felt that, if it was to be effective, this dialogue should not take place at the time when the budget is normally under discussion, and in this respect I fully agree with the warning Mr Adonnino has just issued.

We feel that the resolution tabled by the Committee on Budgets reflects this desire to improve the proce-

cedure. I shall not, in this statement, take up all the points referred to in it, but I will say that we support them all because we are aware that they have been analysed with the greatest possible care. However, I would refer very specifically to paragraph 1 of this resolution, which states that 'progress must be made on the remaining procedural points of difference between Council and Parliament concerning the Community budget before the beginning of the 1982 budgetary procedure.'

It was said just now that this procedure had already begun. That is true, but it should be realized that it has not yet advanced very far. Hence the urgency. To conclude, I would draw the Assembly's attention to the need for this conciliation to begin now, as soon as the resolution is adopted, because I believe there is no doubt it is in everyone's interests, and particularly this Parliament's, that the budgetary procedure should work far better than it did last year.

**President.** — I call the Commission.

**Mr Richard, Member of the Commission.** — Mr President, I should first of all like to welcome the initiative taken by Parliament and within it by its Committee on Budgets, and indeed to thank the rapporteurs for the last two budgets, Messrs Adonnino, Ansquer, Dankert and Jackson, for having laid before this Assembly a text which may well mark the beginning of an extremely useful process for the working of the Community and the realization of its policies. This initiative meets fully the suggestions which have been made by the Commission on several occasions.

President Thorn stated our position on 12 January and my colleague Mr Tugendhat took the opportunity of referring to it before both yourselves and the Council during the final stages of the 1981 budgetary procedure.

I should like, for example, to recall the terms which he used before Parliament on 18 December 1980:

I should like to say that this is now the third year running in which we have ended up with a chaotic and difficult situation at the end of the year. It really does seem to me that the time has come for the three institutions very carefully to think about the whole budgetary procedure, not just about the procedure in itself, but also about the way in which we actually carry it through, the sequence, the timing and everything else.

And he went on to say:

I hope very much that next year the two Presidencies-in-Office will be able to cooperate with you, Madam President, with the Parliament and with the Commission in trying to find a better way of handling this issue.

Now, that is what Mr Tugendhat said last December.

**Richard**

It is in fact clear that the application of the budgetary procedure as it has operated over recent years is satisfactory neither to the institutions taking part in it, nor to the Community as a whole. Article 203 of the Treaty, as it has emerged from successive compromise formulae, has, far from settling all the problems, given rise to a certain number of others. Implementation of the budget on the basis of Article 205 raised yet further problems. Your rapporteurs have identified these problems unequivocally in their motion for a resolution. It is therefore for us all now to make a common effort to overcome our differences of interpretation so as to try and reach a balanced agreement. Mr President, this task is not an easy one, but the seeking of a compromise never is. It is only at this price that we shall succeed in equipping ourselves with an efficient working instrument which will enable us to devote ourselves to the Community's fundamental problems.

It would be very useful, Mr President, if a consensus could be reached on the largest possible number of questions, if possible at this stage, before the opening of the next budgetary procedure. Your rapporteurs insist on this motion for a resolution, and the Commission supports them.

As regards other questions strictly to do with the revision of the Financial Regulation, the Committee on Budgets, guided by its rapporteur, Mr Simonet, is also seeking to identify the first batch of urgent points.

If we are able to make real progress with a good number of these points over the coming months, we shall, I think, make our task easier when the budgetary procedure enters into its decisive stage.

Mr President, I can assure you and the Parliament that the Commission will join its efforts to your own to try and secure this.

**President.** — The debate is closed.

The motion for a resolution will be put to the vote at the next voting-time.

### 6. *Situation in Turkey*

**President.** — The next item is the joint debate on four motions for resolutions concerning the situation in Turkey:

— by Mr Fanti and others, on behalf of the Communist and Allies Group, on cancelling the visit of the delegation from the European Parliament to Turkey (Doc. 1-85/81);

— by Mr Pannella and others, on the situation in Turkey (Doc. 1-90/81);

— by Mr Glinne and others, on the military junta in Turkey (Doc. 1-104/81);

— by Mr Bangemann and others, on behalf of the Liberal and Democratic Group, on relations between the European Community and Turkey (Doc. 1-113/81).

I call Mr Alber on a point of order.

**Mr Alber.** — (*DE*) Mr President, on behalf of the Group of the European People's Party (Christian-Democratic Group), I request that the Pannella and Glinne motions for resolutions be referred to the appropriate committee. Four motions which only partly concern the same subject have been combined here. We feel the general situation in Turkey is so complex a subject that there is no point in discussing it now. This should be done in committee.

**President.** — Mr Alber, this is a joint debate. The four resolutions were submitted, in the form in which they are now before us. They were accepted for urgent debate and we shall debate them.

I call Mr Gouthier.

**Mr Gouthier.** — (*IT*) Mr President, ladies and gentlemen, as you know, with our motion for a resolution (Doc. 1-85/81) we call upon the European Parliament to cancel the visit of its delegation to Turkey.

As we have set down in the text of the motion, more than one hundred death sentences have been pronounced in Turkey, and this is by no means all. In the Bureau and on the various other occasions when we have discussed this problem, some members have asserted that the visit of our delegation to Turkey would constitute a restraint on the military, and it has been said here and in the press that this military dictatorship, this *coup d'état* would have only temporary effects; that it would actually aid democracy in its fight against terrorism, and that the preparations for a return to normal parliamentary life and to the guarantee of human rights had already been made. Today it is evident that these efforts have unfortunately ended in failure, for those in power in the Turkish military regime openly assert that the period of dictatorship will be a long one — necessarily long, in their view — and foresee no definite timetable for a return to parliamentary democracy.

Under these circumstances, a visit by a Parliamentary delegation would be a serious concession to this dictatorship. We are only deceiving ourselves if we believe that such a visit can constitute support for those who suffer under it. It would be a serious political error to insist on maintaining a relationship which the Turkish military authorities themselves have shown to be an

**Gauthier**

impossible one. They have made their intentions clear enough; only some of us here still believe in concealment. Clarity demands, therefore, that this visit should immediately be cancelled.

**President.** — I call Mr Pannella.

**Mr Pannella.** — (FR) The document we have presented has two important aspects, which I would ask all Members to reflect on. Firstly, we have confined ourselves to resubmitting to the European Parliament a document which it unanimously approved 60 days after the colonels had put a violent end to political and parliamentary democracy in Greece. Sixty days afterwards, Mr Eduardo Martino, a Christian Democrat who is certainly conservative, a man of the right, a moderate, proposed this text, which was unanimously approved by the parliamentarians present. Mr President, I do not know what is happening, or I know only too well. But this time six months, not 60 days, have elapsed since the generals, presented to us as very proper, very 'NATO' (in advertising they would have said 'wash the dishes or the dirty linen whitest') first felt obliged to make arrests, to hold trials, to ask for the death penalty. They have been obliged to use violence with growing frequency, even though we were told that only they could restore order. When we read that on one day alone the military prosecutor has asked for 143 people to be sentenced to death, we must realize that something 'is not quite straight' here, that something is not working as it should. Even if we are concerned about our military alliances, we can but have the growing fear that the defence of our Western civilization by such people and by such methods is leading us to renounce all strictness and faith in ourselves. It is time we woke up to the truth. That is why, Mr President, we, the authors of this resolution, have tabled a motion today which is not designed to convey just our point of view: together with Mr Maurice Faure, Mr Caillavet, Mr Ripa di Meana, Mr Sarre, Mr Michel, Mr Penders, Mr Israel, Mr Fourcade, Mr Donnez, Mr Cecovini, Mr Puletti, Mrs Spaak, Mr De Goede, Mr de Lipkowski, Mr Filippi, Mr Zecchino, Mr Gatto, Mrs Lizin, Mr Capanna, Mrs Castellina, Mrs Dekker, Mr Oehler, Mr Orlandi and Mrs Salisch, who reflect the views held by all the groups in our Assembly, we are aiming today to show the same unanimity as was demonstrated by Parliament in 1967 to defend, I will not even say Greek democracy, but the image of the European Parliament, democratic hopes and our common ideals, common to all the groups in this Assembly. We are quite simply asking that this weapon again be used to bring the generals to reason.

(The President urged the speaker to conclude)

We are told we must not frighten the generals, we must not turn them away for good and all, banish

them from the midst of those who respect democracy, peace and tolerance. I do not share that view, because if we are to award a prize every time someone seizes power violently, and so give him more than we give to the humble democrat who, day in, day out, defends civilization and democracy without any fuss, we shall be creating a very serious precedent. But I do understand Mr Fellermaier's *Realpolitik*, Mr President.

**President.** — Mr Pannella, your speaking-time is up.

**Mr Pannella.** — I apologize, Mr President, but I would point out that our debates today are not governed by Rule 28. Is that not true?

**President.** — As author of a motion for a resolution, you were entitled to five minutes' speaking-time. I have given you two warnings, Mr Pannella. If you had been here earlier, you would have realized that I have been just as strict with other speakers.

I call Mr Glinne.

**Mr Glinne.** — (FR) Mr President, the Socialist Group has decided not to be represented in the delegation which will be going to Turkey shortly, and this for two reasons. Firstly, no reliable assurance has been given regarding the possibility of meeting certain political detainees whose fate is of particular concern to us. Secondly, we felt that the Turkish authorities were trying to exclude from this delegation certain views represented in our Parliament, and we feel it is for Parliament itself, without interference by anyone, to form without any restriction the delegation it feels should be sent. That is why we refuse to participate in this mission, although this does not mean that our group will not be taking part in future missions designed to establish the facts on the spot on its own account and in liaison with the Socialist International. At the moment, these facts basically amount to the pursuit of political violence. In our resolution we recall, in this respect, the responsibilities assumed both by Turkey and by the Member States of the European Community, as parties to the European Convention on the Protection of Human Rights and Fundamental Freedoms a convention which Turkey and the Member States have signed and which concerns respect for freedoms.

We therefore condemn the prolonged suspension of democratic institutions in Turkey and call on the Commission, the Council and the Member States to address a precisely worded message to the present Turkish authorities. They must insist on the Turkish military régime putting forward a list of measures permitting the exercise of democratic freedoms and containing time-limits for their implementation. In our motion, we seek to make it known to the Turkish mili-

**Glinne**

tary régime that the association between Turkey and the European Community may be suspended if democratic institutions and practices are not restored very soon.

Finally, our resolution calls for a guarantee of liberty and democratic rights for the very many, the millions of Turkish migrant workers and students residing in certain Member States of the Community. In view of certain action taken to intimidate them, it is important that there should be a guarantee of their peaceful right to express their opinions, their right to demonstrate in peace and unarmed the views they hold on what is happening in Turkey, to exercise their right to trade union action, to independent organization and so on. This seems absolutely essential to me in the present circumstances.

We hope that Parliament's debate and the Political Affairs Committee's forthcoming deliberations will result in the present Turkish régime pulling itself together before it is really too late. That is the hope, Mr President, we place in the text tabled by our group.

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Habsburg.** — (*DE*) Mr President, we have before us four motions for resolutions, which, with the exception of Mr Bangemann's, concern a number of issues.

An investigating commission is about to be sent to Turkey. We are absolutely certain that it will be objective, that its members will assess the situation to the best of their knowledge and belief and that they will not be leaving here with preconceived ideas. I would therefore consider it a very serious mistake if decisions were now taken on the basis of information which cannot be checked. After all, we now have the opportunity of learning from Members of this Parliament what the situation really is.

The European People's Party therefore feels that we should send off this delegation and await its report, so that we can make a completely objective judgment.

**President.** — I call the European Democratic Group.

**Mr Fergusson.** — As Dr Habsburg has said, we must wait for facts. Turkey is a country of profound importance to Europe, to our economy and to our security, and irrespective of its form of government, it remains essentially a friend of the Community. Whatever else we know about events and conditions in Turkey — and this Parliament has made no secret of its concern about democracy — there we can be in little doubt that before the military takeover things could not have been allowed to go on as they were.

It is right that we should hold a debate on our great concern for a friendly country now in such difficulties and with whom we have a Treaty of Association; but it would be absurd and dangerous and mischievous to do so without first-hand knowledge of what we wish to discuss; first-hand knowledge which we might gain from the appointment and despatch of a suitable delegation whom we can trust. If we have a delegation, may I emphasize the absolute need that it be accompanied by officials of the highest calibre so that we can trust them as well.

Our present evidence on Turkey is conflicting and tendentious and uninformed. The figures presented by the motions which are not concerned with the delegation are at their best speculative gossip, and that includes the figures given by Mr Pannella and his friends — all the more reason why they, too, should be put to the test by getting as close to the truth as we can. The Turkish authorities have invited us to come, and if there should be any unreasonable limitations on the delegation's investigations, of course we should take those into account.

Meanwhile, let us wait for all the facts and the knowledge we can get and then have the kind of debate which the Community needs and which the Turkish nation demands. The kind of debate that the Turkish nation does not need is by people who have refused to gather all the evidence that they possibly can. We do not want to debate the issue this morning, we are interested only in determining that the delegation shall go. Therefore, in due course we hope to be voting against everything except the Bangemann motion, which firmly says, let us send the delegation and find out the facts!

**President.** — I call the group of European Progressive Democrats.

**Mr Israel.** — (*FR*) Mr President, where the Turkish question is concerned, we have two duties. Firstly, we have, of course, a duty to inform ourselves and to be up to date on the details of what is happening in that country, which is why I welcome the fact that Mr Bangemann, unlike Mr Fanti, recommends that a delegation be sent to Turkey.

But this first duty must not make us forget the second, which is absolutely essential: as representatives of the European peoples, we must make it clear that the present situation cannot continue, that it is completely unacceptable for public freedoms to be suspended for six months in a country which maintains normal relations with the Community. We must therefore make this absolutely clear. This Parliament would be failing in its duty, I feel, if it simply adopted Mr Bangemann's motion and said: 'We are going to send an investigating mission,' as if we were completely blind and deaf to what is happening in the world today. We must

## Israel

therefore adopt the Bangemann motion, the Pannella motion and the Glinne motion. If all three are adopted, there can be no contradiction.

**President.** — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

**Mr Vandemeulebroucke.** — (NL) Mr President, I hear the conservative forces repeatedly defending the Bangemann resolution. But I would point out that the next item on the agenda is an appeal by the same forces for Iran to be condemned for its treatment of the Baha'i community. The same kind of oppression is going on in Turkey, and a delegation is to be sent there. Seldom has the hypocrisy of those concerned been so evident, because there is oppression in Iran.

I wish to refer to a people which is constantly overlooked, the Kurdish people. There are six million Kurds in Turkey. Two-thirds of the Turkish army is stationed in their area. Their living conditions are alarming: 20 % infant mortality, not a single village with water and electricity, incomes below \$ 100. In response to Mr Fergusson and Mr Habsburg, I can say that according to recent reports 2 331 members of the Kurdish Workers' Party have been detained and that the death penalty has been requested for 97 of them. A peaceful solution will not be possible and there is no chance of genuine democratization in Turkey unless account is taken of the reality of the situation facing these six million people, who are persecuted in a disgraceful manner. That is why I have tabled amendments, and I shall be calling for a vote by roll-call on one of the amendments to the Glinne resolution, Amendment No 4. After all, there is no point in talking about democracy here if we go on refusing to recognize and pushing into the background a group of six million people. Parliament is then doing no more than making political noises for its own rank and file.

**President.** — This debate is now suspended.

## IN THE CHAIR: MRS VEIL

*President*

## 7. Votes

**President.** — The next item comprises the votes on motions for resolutions on which the debate is closed.<sup>1</sup>

<sup>1</sup> Only those sections of the vote that gave rise to speeches from the floor are given here. For all other information regarding the voting, the reader is referred to the minutes of this sitting.

We begin with the Gouthier report on loans for promoting investment within the Community (Doc. 1-28/81).<sup>2</sup>

(...)

I call Mr Israel for an explanation of vote.

**Mr Israel.** — (FR) Madam President, Mr Gouthier's report proposes that we modify the title of the proposed decision by replacing the words 'Council decision' by 'decision of the budgetary authority'. It seems to us that this modification would contravene the Treaties, since it confuses the legislative powers referred to in Article 235 and budgetary powers as such. Despite the urgency and the importance of these proposals, I regret to have to tell you that the Group of European Progressive Democrats finds itself compelled to vote against the whole of this report.

*(Parliament adopted the resolution)*

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**President.** — We proceed to the Ippolito report on the exploration and extraction of uranium (Doc. 1-949/80).

*(Parliament adopted the resolution)*

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**President.** — We proceed to the Lega report on the recruitment of officials (Doc. 1-87/81).

(...)

*Paragraph 2: Amendments Nos 11 and 12*

**Mr Lega, rapporteur.** — (IT) Madam President, I am in favour of these amendments, because they improve the wording of the motion.

(...)

*Paragraph 3: Amendment No 13*

**Mr Lega, rapporteur.** — (IT) Madam President, I am not in a position to express a favourable opinion on

<sup>2</sup> The rapporteur spoke in favour of Amendment No 2 and against Amendments Nos 1 and 3.

**Lega**

this amendment on the committee's behalf, since the committee has taken no decision in the matter.<sup>1</sup>

(...)

**President.** — I call Mr Kappos for an explanation of vote.

**Mr Kappos.** — (GR) Madam President, I cannot agree with the motion for two reasons. In the first place there is no guarantee of equal treatment for Greek officials with regard to staff quotas and grades — in other words, the number of Greek officials who are to be appointed and the grades at which they are to be appointed do not guarantee equal access to all posts for Greek officials. Secondly, I cannot agree because there has been no definite reply on the problem of discrimination regarding the employment of Greek officials. This is a problem which, as we all know, involves not only the Greek Government, in view of the ex-foreign minister's famous statement on the exclusion of officials of certain political and ideological persuasions, but also the EEC because of the well-known document from the EEC's security service to the Greek security authorities concerning information on EEC officials.

(Parliament adopted the resolution)

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**President.** — We proceed to the Adonnino *et al.* report on the inter-institutional dialogue on certain budgetary questions (Doc. 1-77/81).

(Parliament adopted the resolution)

#### 8. Situation in Turkey (condt)

**President.** — We now resume the debate on the situation in Turkey.

The non-attached Members have the floor.

**Mr Zighdis.** — (GR) Madam President, would you please allow me to take up Parliament's time for ten minutes at the most, as I should like to put before it certain facts about the dictatorship in Greece which you will find useful?

(Murmurs)

What is your decision, Madam President?

**President.** — You have the floor, Mr Zighdis. I would simply ask you not to take up too much time, since we still have a heavily loaded agenda.

**Mr Zighdis.** — (GR) I respect the Parliament and my speech is a mark of respect for the contribution it made in 1967 towards the restoration of democracy in Greece. Likewise, Parliament should not neglect this opportunity to speak out against the situation in Turkey. Madam President, today's discussion brings vividly to my mind the experiences of the period 1967 - 1974, when the parliamentary system in Greece was overthrown and a dictatorship was imposed by the Colonels.

The reappearance of fascism after the Second World War in a European country which had fought with conviction to preserve and secure the democratic system aroused public opinion all over the world and especially in Europe. The reaction of the governments of the Western World was, however, rather different: some of them helped the dictatorship to become established; others made efforts to support it; the majority maintained a cautious attitude, satisfied to use nothing more than harsh words to condemn the dictatorship, while some even tried to profit financially by exploiting the dictatorship's weakness.

The reasons for this were — let's not beat about the bush — 'strategic'. Greece was, and is, needed for the defence of Europe and of the Western World in general. Therefore nothing could be done that might upset the Colonels.

Fortunately, there was an antidote to the surprise and exasperation which gripped the Greek people during the first weeks after the *coup* as a result of the attitude taken by their allies and the governments of the Western World in general. It was an encouraging gesture which reinforced the hope that in the West the idea of freedom and democracy is more than idle talk. I am, of course, referring to the European Parliament's decision of 11 May 1967 which condemned the dictatorship in no uncertain terms and froze Greece's Association Agreement. A year later, there was a second gesture of this kind — the Council of Europe's decision to expel the Colonels' régime on account of its provocative and brazen violation of the Treaty of Rome in the matter of human rights. Naturally, these were followed by similar gestures from the national parliaments of Western Europe and the United States Congress.

However, in spite of all this the dictatorship did not fall. It survived, to a large degree because of the support of Western governments, for seven years continuing with its ugly business of tyranny and corruption, and weakening Greece's armed forces to

<sup>1</sup> The rapporteur was in favour of Amendment No 14.

## Zighdis

such a point that the tragedy of Cyprus finally occurred. This needs to be repeated! Despite the attitude adopted by the responsible governments of the Western World, which disheartened and wounded the Greek people, the fact that the European Parliament, the Council of Europe, the national parliaments, professional and intellectual organizations in the free world and the press expressed their disapproval of the régime meant that the Greek people did not lose heart nor feel alone in their struggle for freedom and democracy.

And so, one day, the dictatorship crumbled! Not, however, before it had left irreparable damage such as the tragedy of Cyprus, to which I referred earlier.

Indeed, in recent years public order in Turkey has been badly shaken and terrorism has grown at an alarming rate. However, this did not come about by accident. It was the consequence of a deteriorating situation that could be neither disguised nor mastered by a pseudo-parliamentary system, itself subject to the control of a totalitarian military régime which, hand in glove with the survivors of the aristocracy of the Ottoman Empire and the small upper-middle class created by Kemal Atatürk's revolution, tyrannizes and exploits the overwhelming majority of the Turkish people.

This ruling class, which is politically repressive, socially reactionary, nationally chauvinistic and economically corrupt, keeps 90 % of the Turkish people in a state of social inertia with an unacceptable standard of living and restricts freedom, especially that of the racial and religious minorities, to a frightening degree without offering any hope of peaceful development towards a situation according in some measure with the modern conception of life.

These are the conditions which the ruling tripartite class, composed of the military and its two partners, has imposed on the Turkish people, leaving the pseudo-parliamentary system to function as best it can in subservience to the dictates of that class.

In circumstances such as these, the Turkish people lost all hope of gaining their freedom from tyranny and political and social inertia by peaceful measures. It was for this reason that the manifestos by the far Right and the far Left met with the response which they have had over recent years. This is also the reason why many people have turned towards terrorism.

Nevertheless, this corrupt ruling class, by exhibiting a superficial adherence to democratic institutions and ideals, managed to persuade the governments of the West that it provided the only bastion for the defence of the West in the strategically important territory of Turkey.

In this way it won over the military leaders of the West and managed to exploit without any restraints what-

soever the substantial sums of economic aid which it received from the USA and its allies.

Indeed, according to official announcements, the purpose of the *coup* of 12 September was to restore public order and, so it was said, to clean up the corrupt parliamentary system. However, the justification for the *coup* which the West took more seriously was that it was intended to protect Turkey's position as a bastion of the Western world. This is how the dictatorship won over the West. This is why 'men of reason' have tried to make sure that the régime is not censured in any way. This is why there have been pleas for understanding, assurances as to the good intentions of the régime's leaders, and why everyone has been waiting for the timetable for a return to democracy, etc. The formula which worked so well for Papadopoulos is today being used by Evren.

However, seven months have already passed and nothing has happened to justify these hopes. On the contrary, the situation has become unbelievably worse, with countless executions, tens of thousands of prisoners, and torture a regular occurrence. The violation of human rights is continuing and constantly increasing. No measures have been taken to bring corruption under control. Huge amounts of economic and military aid are being squandered without any visible benefits for the Turkish people. Far from limiting its expenditure, Turkey's opportunistic chauvinism, including the maintenance of an occupation force in Cyprus and its well-known expansionist claims in the Greek Aegean, is eating into and consuming a large part of the economic aid which it receives.

To be sure, the military heads of the West are satisfied. Clearly they are forgetting that the security offered by corrupt and dictatorial régimes to their allies is shortlived and of little worth. It would appear that the West has learnt nothing from its previous experiences with the régimes of Haile Selassie and the Shah, which it considered as mainstays of its defence and which it persistently and confidently supported for so many years, ignoring the feelings of the people which these régimes oppressed.

I am afraid that, if the West continues to act so irrationally as to support the Turkish ruling class regardless of whether it presents itself in a pseudo-parliamentary disguise or uses brute force, then the Turkish people will lose patience and Evren's successor will be a new Mengistu or another Khomeini. If the West continues to be so short-sighted and egoistic this will be the inevitable consequence.

Madam President, I should like, if Mr Bangemann will allow me, to ask him to withdraw his motion for the good of Western Europe and for the sake of freedom and democracy. This motion will have the effect of delaying any measures against the dictatorial régime, which will, as a result, be able to continue undisturbed in power without worrying about Europe, while for

**Zighdis**

the Turkish people it will serve as proof that the elected representatives of the peoples of the EEC are nothing more than, if I may be allowed to use this word, hypocrites.

I endorse the motion tabled by Mr Pannella and others, because the text is the same as the one which was used to condemn the Greek dictatorship; but my preference clearly lies with the motion tabled by Mr Glinne and his colleagues in the Socialist Group, since it makes a much more explicit and complete statement. However, even this has one serious weakness. It accepts that a period of two months should be allowed to elapse before Parliament takes a decision on **suspending the Association Agreement**. I am sorry to have to say so, but it is totally unrealistic for anyone to expect a return to democracy within a period of two months. General Evren and his allies, both within and outside Turkey, will use this time to trick the Turkish people and ourselves into believing their so-called good intentions.

At this critical point in time, ladies and gentlemen, representatives of the free peoples of Europe, I am addressing you, as a Greek observer who has suffered the consequences of dictatorship and who knows the plight of the Turkish people, to tell you that the Turkish people are waiting for the democratic peoples of Europe to give them their positive support to help them overcome their hardship. Otherwise, and I stress this point to you, the Turkish people will reach the conclusion that Evren's successor will have to be, as I said earlier, another Mengistu or another Khomeini.

In view of what I have said and the lack of anything better, I shall vote for the motion tabled by Mr Glinne and his group.

I thank you for the time which you have allowed me. It is my opinion that this concession has been made in the interests of liberating our friend and neighbour, the people of Turkey, who are being subjected to great misfortunes at this present moment in time.

**President.** — One more I ask all speakers to be brief, since otherwise we shall not reach the end of the agenda.

The Socialist Group has the floor.

**Mr Rogers.** — Madam President, I speak in this debate on behalf of the Socialist Group and as a member of the delegation to the Joint Parliamentary Committee of the EEC-Turkey Association. Not only at the meetings of that delegation but also, as you well know, in the Bureau of the Parliament and also in my own group, I have been against the continuation of a delegation from this Parliament to this Joint Parliamentary Committee for the very obvious reason that a parliament does not exist in Turkey and it is not possi-

ble to have an interparliamentary committee, and I really am completely at a loss to understand Mr Bangemann's resolution, which says that this Parliament should send a delegation. We cannot send a parliamentary delegation to deal with a military dictatorship. If it is a question of investigating the situation in Turkey, of supervising the investments of the Western world in Turkey or supervising the investments of the European Community in Turkey, well, let us render into Caesar what is Caesar's: let the Member States send along their delegations, let the Commission send along their officials to monitor what is going on there; but there can be no question of a parliamentary dialogue with people who are military dictators, and hence of sending a delegation from Parliament to Turkey and lending credence to the vicious régime which is in existence there. I am therefore against the Bangemann motion, as will be my group. I hope, in fact, that Members will support the motion tabled by Mr Glinne, which I have signed along with others in the group and which Mr Zighdis has asked us to support.

I am quite sure that Mr Forth will not do this. We heard his attitude yesterday when we talked about grain for starving people in Russia. He might well want to support the murderers and the repressors in Turkey. I do not know. Maybe it is a reciprocal to his views on giving food aid to starving people that he would want to maintain aid to murderers and repressors. But I will ignore his views that he is shouting at me and proceed with what I want to say. One thing that I do know is that this Parliament has never missed an opportunity of speaking up with one voice against repression, and this is what we have in Turkey today.

It is a complex problem. There is a lot of ideological hypocrisy that will be thrown around in any debate or argument, and this in some sense is reflected in the resolutions. The difference in the numbers quoted in the different resolutions is evidence of the confusion that exists, and we in this Chamber can find ourselves once more playing, as we very often do, the numbers game and juggling with data on how many lives have been lost, how many people are in prison. As far as I am concerned, one life is important. I do not think that the enormity of statistics makes a thing worse or better. If one person is killed in the ostensible pursuit of an ideology, that is one death too much; and I certainly would not go along with the idea that so many people seem to have on the other side of this Chamber, to judge by the grins on their faces, that we can support democracy and not give a damn how many we have to kill in order to attain it. It is enough for one person to be in jail. It is enough for one person to be tortured. But we do know that in Turkey there are very many people in jail, there are very many people who have been tortured and there are probably a great number of people who have died as a result of this repressive régime, and we have to decide today whether we will support this, whether we will give that régime any credence for whatever ideological reason.

**Rogers**

And in this we have to search our own consciences, our own political consciences. Those who belong to the right, those who believe in supporting military dictatorships obviously will not vote with me. I accept this. I could have all the powers of persuasion in the world, but I cannot talk to closed minds. But those with open minds, those who are prepared to judge these resolutions on their merits, I ask to vote against the resolution by Mr Bangemann and not to add any credence to the present régime in Turkey. I ask them to abstain, as I shall, on Mr Fanti's resolution, not because I am against it in spirit, but because I do believe that the facts-and-numbers game can be played with it. The same thing may well apply to Mr Pannella's resolution, although again I support it in spirit. Finally, I hope the House will support the resolution tabled by Mr Glinne. I do not think it goes far enough in condemning the régime. I do feel, Mr Zighdis, that maybe the suggestion of a two months' delay is at least an opportunity for the régime to right the iniquities that it is perpetrating.

**President.** — I call Mr Nicolaou.

**Mr Nicolaou.** — *(GR)* Madam President, as Greeks we are particularly sensitive when it comes to matters involving the abolition of democratic institutions, because in the recent past we had to live with the arrogance, barbarity and brutality of a military dictatorship. May I add, Madam President, that of the seven Members of the European Parliament who belong to Pasok, four were persecuted, exiled, imprisoned and mercilessly tortured — I repeat the phrase, mercilessly tortured — by the Greek dictatorship. The same holds true for other Members, such as Mr Zighdis, Mr Pasmazoglou and Mr Kappos. I am not saying this, colleagues and Madam President, to move you, but simply to let you see that we Greeks are in a position to know better than many of our colleagues what is happening today in Turkey. We are, above all, in a position to know just how unreliable and false the statements of the military régime in Ankara are as regards the so-called restoration of democracy. Likewise, we all know from the evidence already available that the military régime in Turkey is openly violating human rights by imprisoning tens of thousands of people, by torturing people to death — just think about it, they torture you and you die — and by recently condemning 126 people to death. I don't believe that anybody needs to go to Turkey to find out what is happening there, as Mr Bangemann and Mr Habsburg maintain. For the benefit of Mr Bangemann and Mr Habsburg, I will state it in German:

*(DE)* In an age where we have mass media and worldwide communications it is hypocritical to pretend that we do not know what is going on at the moment in a neighbouring country. Moreover, it would be naïve to think that as a member of a delegation from the European Parliament one could gain an objective view of

what is really happening in Turkey at the moment by going there, especially as the dictators would be running the show.

*(Applause)*

*(GR)* Dear colleagues, the Socialist Group's motion for a resolution does not satisfy us. The condemnation, in our opinion, should be total and explicit and should not offer any hope whatsoever that we may believe the assurances of those who have violated the will of the Turkish people. The European Parliament should condemn with total disgust the torture, execution and imprisonment of democratic Turks. It should take a decision on suspending the Association Agreement between the EEC and Turkey and should call upon the countries of Western Europe to cease sending economic and military aid to the military régime in Turkey. What we are asking for is what Andreas Papandreou requested for Greece, and on this authority we are seeking the same for Turkey.

I would, however, like to finish by saying that, despite the fact that we are not in total agreement with the Socialist Group's motion for a resolution, we shall vote in favour of it because we believe that if it is not adopted Evren's military régime will have cause to celebrate and will say that the European Parliament endorses, indirectly at least, the dictatorial régime of violence in Turkey.

Despite our reservations, I repeat, we shall vote in favour of the Socialist Group's motion and, as a Greek, I call upon my colleagues in other parties to ensure that a consensus prevails so that we do not leave here today before we have adopted this proposal, thereby making it impossible for Evren to claim a victory.

**President.** — I call Mr von Hassel.

**Mr von Hassel.** — *(DE)* Madam President, ladies and gentlemen, at this late hour of the morning I should very briefly like to make a few comments, beginning by recalling that the Political Affairs Committee has for some time been considering proposals referred to it by the European Parliament. It decided some time ago and confirmed here that a delegation would be sent to Turkey and that I had been appointed this committee's rapporteur on Turkey. I have also been called upon to join the delegation. A mission of this kind is not intended — as Mr Pannella has claimed — as a means of defending the régime in that country. I must also emphatically contradict Mr Rogers, who has unfortunately left the House now, according to whom the delegation will not have the opportunity of talking to a parliament in Turkey. That may be true, but our task consists not only in maintaining parliamentary contacts but also in investigating actual conditions on the spot. All the objections, such as that just voiced by

**von Hassel**

the representative of Pasok — that this could be done from documents and other reports — ignore the fact that the opportunity must be taken not only of learning on the spot but perhaps also of having a delegation explain the views expressed by European parliamentarians this morning. Mr Rogers's contention that we should be supporting murderers or a repressive government must be totally rejected. His remark that we should be lending credence to a dictatorship in this way is simply not true. No-one in this House, no-one anywhere in this Chamber, has any particular faith in dictatorships. I protest against the pretence that there are people in the European Parliament who side with the Turkish Government.

We have heard from the representative of the Greek New Democracy that the Turkish people are waiting for support from Europe in overcoming the desperate situation they are in. I therefore feel we may be able to make a better study of the situation on the spot.

I should also like to remind Mr Rogers that, for example, a delegation from the Council of Europe has visited Turkey. The Council of Europe, like this Parliament, then discussed the matter in depth. Even the German Bundestag, which certainly does not number among those who support repressive governments or want to lend credence to dictatorships, has sent a delegation to Turkey so that it might form its own opinion in full knowledge of the facts.

There is no one in this House who would not do anything to restore democratic rights in Turkey and promote redemocratization. No one here approves of the use of torture or the death penalty in Turkey. In this respect, there are absolutely no differences of opinion. The only question is whether responsible representatives of this House should study the situation on the spot and the Political Affairs Committee draw up a report, which can then be fully discussed here, as the Bangemann motion suggests.

My group approves Mr Bangemann's motion, which means we reject the Fanti motion. My personal opinion may differ from others to the extent that I call for the motions tabled by Mr Pannella and Mr Glinne, which contain many arguments on the subject, to be referred to the Political Affairs Committee so that they may be considered in the general report on Turkey.

**President.** — I call Mrs Maij-Weggen on a point of order.

**Mrs Maij-Weggen.** — (NL) I wish to point out, Madam President, that Mr von Hassel was not speaking on behalf of the entire Christian-Democratic Group.

**President.** — The Communist and Allies Group have the floor.

**Mr Chambeiron.** — (FR) Madam President, the dictatorship has now been in power in Ankara for seven months, during which we have witnessed in this Assembly a series of manoeuvres designed, firstly, to prevent the justified condemnation of a régime which violates human rights in a country linked to the Community by an association agreement and, now, to have us believe that it is necessary to send a delegation to find out what is happening in Turkey.

This morning there have been speeches — if I may be permitted the expression — whose audacity has verged on indecency. We have reached a peak never before reached in this Assembly. When I heard Mr Fergusson and Mr von Habsburg telling us: 'But we do not have any real information' and, the day before yesterday, Mr Bangemann saying that what we know about events in Turkey is simply based on inconsistent rumours which should be checked, I began to wonder if they had been struck blind or if they sometimes took the trouble to read the newspapers. There is no need to go to Turkey to know what is happening there. It is enough to consult the more serious press, whether it is French, British or German; and if you are not convinced by the press, there are official documents.

The previous speaker referred just now to the Council of Europe. But what did the Parliamentary Assembly of the Council of Europe say last January? It noted that the principles of democracy are not being respected in Turkey. It confirmed that people were still being arrested, imprisoned, tortured, that several cases of torture had been found, that there is *de facto* censorship of both the press and literature. So what more do you want? You know perfectly well that what the Turkish dictatorship expects of this Parliament is not a commission investigating what is happening in Turkey but a political decision it can use as an alibi. That is precisely what the Turkish military want: they are awaiting this delegation from Parliament so that they can justify themselves within their own country and with international opinion. That is where the truth lies.

And that is the course you want us to follow, because that is the really logical conclusion to be drawn from your remarks. In Bogotá, I heard Mr Klepsch and his friends coming out in favour of the dictatorship in El Salvador. Your remarks today amount to support for the dictatorship in Ankara. They are the same remarks. As always, you are following the line adopted by the American Secretary of State, who has just made a number of statements in the countries of the Middle East and waved the flag of tension and the Cold War, which was reflected yesterday by the aggression of the Israeli military against the Lebanese people. That is where the truth lies: you are tagging along behind the American Department of State. You have no right to speak . . .

(Cries of 'What about Moscow and Kabul?')

**Chambeiron**

You have no right to call for human rights, because you only ever call for human rights when it suits your political ends. This morning we could have painted a family portrait, with Mr von Habsburg and Mr Blumenfeld presenting themselves as defenders of trade-union rights. Let them begin by defending the workers in their own countries before teaching us lessons in this Assembly!

We shall not, of course, be voting in favour of Mr Bangemann's resolution, nor can we associate ourselves with the one that has been tabled. I know, there are facts it is not nice to hear about, but you will not prevent me from telling you about them, because I personally was not elected to this place to make polite conversation. I was elected to this place to defend the rights of the people, to defend the liberty of men, and I am not a hypocrite. You can speak presently, Mr von Hassel: we know you, we know what you are capable of in politics, and it is not worth your while trying to justify yourself in my eyes. I will say it all the same. There is something scandalous about what you are doing and that is why we shall not be voting for Mr Bangemann's motion for a resolution. We shall not vote for Mr Glinne's motion either, because this debate has been postponed month after month for six months. But the Turks have answered you. Although the Turkish people cannot speak, the generals are free to state their views. They have told you how they envisage the new constituent assembly and how they intend to remove the traditional political forces from that constituent assembly. They have told you that, and they have answered you by stepping up the arrests, stepping up the torture, stepping up the stifling of the most democratic liberties. Well, we must get to the root of the matter. The public that sent us here must be told today who are the defenders of democracy and who want to stifle democratic freedoms.

We have tabled a text which seems clear to us. It is unequivocal, and you would do well to vote for it, for what does the text we have tabled say? It says that we condemn the Turkish dictatorship, that we do not want this delegation to go to Ankara to give support, in effect, to a military dictatorship. We want to break with this country, we want to come to the help of the Turkish people, who are calling for the restoration of democratic freedoms. We have made our choice between those who are destroying liberty and those who defend the interests of the Turkish people: you defend the destroyers, we defend the Turkish people.

*(Mixed reactions)*

**President.** — I call Mr Papaefstratiou.

**Mr Papaefstratiou.** — *(GR)* Madam President, Greece is following the developments of the political situation in the neighbouring country of Turkey with particular interest and concern. The New Democracy

Party, to which I have the honour of belonging, and all the other political parties in Greece which recently lived through the tragic experience of the seven years of dictatorship, are extremely concerned for the Turkish people and hope for a swift return of real parliamentary democracy and peace and order for the sake of the Turkish people. Of course, one cannot say that in the recent past, prior to the abolition of the parliamentary system in Turkey, there was an ideal form of democracy there. The European Parliament should not forget that under the so-called parliamentary system Turkey attacked an independent and sovereign state, Cyprus, where it still controls about half of the territory, with the result that there are hundreds of thousands of Cypriot refugees undergoing terrible hardships. As regards the proposal to send a delegation from the European Parliament to Turkey, if such a decision is in fact taken, we feel it would be useful to include in it representatives who have had special experience of defending human rights and individual freedom. Also, before any delegation is sent, care should be taken to ensure that it can complete its work as quickly as possible and that its members can communicate freely, not just with the leaders, but also with the main party-political figures and the representatives of the working class and of the workers' unions. Therefore, I repeat, if Mr Bangemann's proposal to send a delegation is adopted, Parliament should have a complete and reliable report as soon as possible. We hope the European Parliament will display its concern for the protection of the rights of the Turkish people in a positive and effective manner, as it did for the Greek people in the past. We often hear passionate speeches in favour of democracy, which is something that all of us believe in and something for which, I believe, all of us without exception in this Chamber are fighting; but, if these speeches are to have any real results, they must be accompanied by positive measures.

*(Applause)*

**President.** — I call Mr Kappos.

**Mr Kappos.** — *(GR)* Madam President, there is no doubt that the American-backed military dictatorship in Turkey has established a violent and repressive régime there. It has got rid of the parliamentary system, political and trade-union rights, and has wiped out all signs of human rights. The number of arrests amounts to thousands, the number of trials and sentences, including death sentences, to many scores, and torture to the point of physical destruction is the rule rather than the exception. The fact that a dictatorship came to power in the first place and is still there, has, in my opinion, direct consequences for the rights and freedoms of neighbouring peoples, and it is directly related to the problems of Cyprus and the Aegean. It was precisely for this reason that the Greek people, who had their own bitter experience under the

**Kappos**

recent dictatorship, openly expressed its support for the Turkish people with demonstrations in the streets of Athens and with slogans like 'People, remember your own junta!' The attitude adopted by the Common Market so far has been inconsistent: while it presents itself as a defender of democracy and freedom, it tolerates the cruel repression of the basic rights of the people of Turkey, a country which has strong ties with the EEC. And so things are going ahead as usual; there are plans to send a delegation from the Parliament to disguise the junta's intentions, and the EEC is content to sit back and take note of the false assurances which the military junta gives about a return to democracy. This, whether we like it or not, exposes the true demagogic nature of the slogan which has troubled the Greek people — that the EEC guarantees democracy and freedom.

Madam President, first of all we are asking that no delegation should be sent to Turkey; secondly, we want the Association Agreement between the EEC and Turkey to be suspended and, lastly, we want Parliament to condemn the military dictatorship in Turkey. Furthermore, we support the Turkish people in their struggle to overthrow the dictatorship and to regain and secure their democratic rights and freedoms.

**President.** — The joint debate is closed.

I can now give the floor for explanations of vote.

I call Mr Pannella.

**Mr Pannella.** — (*FR*) Madam President, I wish to give explanations of four votes. I shall be voting in favour of this resolution, Mr Glinne's and the one we have tabled jointly with 25 other Members from all the groups in our Assembly. I shall do so, Mr President, because it seems to me everything must be done, including the presentation of counter-arguments. There are good counter-arguments and others that are poor. There are some rotten counter-arguments, and there are some which may prompt us to make useful corrections where they concern documents which — and I will choose my words carefully — are unworthy of the epithet 'Liberal' and which Mr Bangemann — who has the decency to be absent — has tabled on behalf of a group . . .

**Mr Calvez.** — (*FR*) You sometimes leave the Chamber too.

**Mr Pannella.** — (*FR*) . . . Yes, but Mr Bangemann leaves at the very moment he should be defending an attitude which is fundamentally unacceptable to all those who, without necessarily being Giscardians or something else, are Liberals, after the fashion of Mr Donnez, Mr Caillavet, Mr Maurice Faure, Mr Gaston

Thorn, in the image of French Liberal traditions, as you were in the past — moderate perhaps, but Liberal — whereas now you are ready to do anything to back those who are opposed to freedom. We know, Madam President, the attitude of the Bangemanns of this world, the hypocrisy, the Pontius Pilate attitude we find in certain Christians — 'let us stop and think, we do not know a great deal . . .' — is that not right, Mr von Hassel? Meantime, the throat-cutting, the killing goes on.

Well, Madam President, I shall also be voting for the resolution which bears the name of Eduardo Martino, although I would never have thought in the past that I would one day be voting in favour of a document he had produced. I shall do so because I cling to that modicum of tradition in this Parliament which constitutes its modicum of honour. This is not, in fact, our text: it is the one adopted by the European Parliament sixty days after the Greek colonels installed the dictatorship.

All my votes will be directed against what you are trying to get us to do: help the torturers. What is the financial protocol if it is not designed to give money? What we are asking is that we should stop paying the torturers, paying for the executions, paying for the bullets used to kill, not a revolution, but European democracy, the principle of democracy.

I feel, Madam President, and I hope that many of us here will, despite our differences, abide by what we believe in and honour the history of this Parliament, which otherwise the Bangemanns, Klepsches and others will disgrace for ever.

**President.** — I call Mrs Hammerich.

**Mrs Hammerich.** — (*DA*) Madam President, I am not going to make a long political statement, but simply wish to explain the reasons for the attitude which we are taking towards the four resolutions that have been tabled.

We are generally very sceptical about visits by delegations from the European Parliament, because in our view they are often used to further personal and political aims which we, as a movement, cannot accept. It is even worse when a visit by a delegation such as this has the effect of lending an air of legitimacy to a military dictatorship like the one in Turkey. For these reasons, we shall vote as follows: we shall vote against the resolution tabled by Mr Bangemann, we shall abstain from voting on those by Mr Glinne and Mr Pannella, and we shall vote in favour of the resolution tabled by Mr Fanti, because it states clearly and concisely that this disgraceful visit should be cancelled.

**President.** — I call Mrs Baduel Glorioso.

**Mrs Baduel Glorioso.** — (FR) Madam President, we too would like to give an explanation of vote. We shall obviously be voting for our own resolution. Unfortunately, we cannot vote for the Glinne and Pannella resolutions. Although the text is a good one, it makes no mention of an absolutely essential aspect referred to in our resolution. It does not say that this journey must not take place, that the European Parliament must not adopt this position towards the Turkish dictatorship.

Mr Glinne has made it very clear to us that the Socialist Group will not be represented in this delegation because of the conditions that have been imposed. He has told us this. In the circumstances, we can but regret that that point is not made in Mr Glinne's motion, for if it had been, it would have been possible to amalgamate our resolutions. While the Turkish dictatorship must be condemned and while this must be done in very clear terms, along the lines of the Glinne, Pannella and other resolutions, it is no less essential for action to be taken. If, after condemning the Turkish dictatorship — as our Greek friends on the various benches of this Assembly have done — this Parliament accepts the invitation issued by a dictatorial military régime, which kills, tortures and imprisons its opponents, we shall be acting in complete contradiction with our beliefs.

I believe that, if we want to be consistent, there is only one resolution which even the Socialists, even those who have signed the Glinne and Pannella resolutions, will be compelled to accept, a resolution which states that this journey will quite simply be cancelled. That is a first practical issue on which the Turks, the Turkish people will be judging us. And the military régime too.

But what we must bear in mind, now that we have democratic Greek parliamentarians among us, is that we shall soon be joined by democratic Turkish parliamentarians. Why should that not be possible? But our commitment in this respect must be consistent. Remember, ladies and gentlemen, that these same debates were held at the time of the Greek dictatorship, in 1967. At that time, some people defended the Greek colonels. They explained to us that it was necessary if order was to be restored in Greece. You are all witnesses of what happened, of the ambiguous position so often adopted by Europe. That did not prevent us — and by 'us' I mean certain political, trade-union and popular forces — from obtaining the suspension of the agreement with Greece. We have not yet succeeded in having the agreement concluded with Turkey suspended; but I feel that with the help of the Greek Members we should be able to have this done as soon as possible.

**President.** — I call Mr Klepsch.

**Mr Klepsch.** — (DE) Madam President, I should like to give a brief explanation of vote on behalf of my group.

The rapporteur of the Political Affairs Committee has already explained our position. As this House has repeatedly decided in the past, we shall send a parliamentary delegation to Turkey, which will then report on its findings to the Political Affairs Committee and to the Bureau of Parliament. The Political Affairs Committee has meanwhile drawn up a report on various texts on Turkey and appointed a rapporteur, and we expect to have an opportunity to discuss this report during the next part-session. As is usual in this House, we shall not therefore take a decision until the committee's report is available, the report that we — that is, the whole House — have called for.

I therefore wish to inform the House that we approve motion No 89. We would have liked to see motions Nos 87 and 88 referred to the Political Affairs Committee, as Mr Alber proposed on behalf of his group. As this was unfortunately not possible, we must vote against motions Nos 86 to 88.

**President.** — I call Mr Møller.

**Mr Møller.** — (DA) Madam President, I wish to speak because I do not entirely share the views expressed by the group to which I belong. As I see it, this House is the Parliament of the European Communities: since this is a parliament, we must show respect for the rights which are associated with parliaments. These include the right of parliamentarians not to be arrested because of their views, opinions or beliefs. The point at issue here is whether we should send a delegation to a country which has suspended parliamentary rights and imprisoned members of its parliament. I think it is essentially unworthy of this Parliament for such a delegation to be sent, especially when it cannot have access to all the information concerning the situation of these parliamentarians.

(Applause)

On the other hand, however, I do not wish to be cited in support of any left-wing views on this question, and I would point out that in many respects our attitude borders on the hypocritical, since we have cooperated with semi-dictatorships or semi-democracies in so many other places. They amount to the same thing, after all, and therefore I shall abstain in all the votes on this question, and can only hope that one day Turkey, like Greece, will return to democracy and restore the rights associated with it, including those of the parliamentarians who are now in prison.

**President.** — I call Mr Rogers.

**Mr Rogers.** — Madam President, on behalf of the Socialist Group I wish to say that I feel that such a complex problem could well be dealt with further in committee; but having tabled a resolution, and

**Rogers**

received the amendments, we feel that it ought to be put to the vote, and we would ask for a roll-call vote on our resolution.

Our group will vote against the amendments that have been put down, particularly by Mr Vandemeulebroucke, not because we are opposed to supporting the Kurdish people and some aspects of their struggle, but because the amendments in themselves are not substantive enough, particularly Amendments Nos 1 and 2. They are extremely subjective and add nothing to the resolution that we have tabled. So we certainly won't support them.

One of the problems with supporting and putting down amendments or resolutions like this is that they might well further destabilize a situation that is already extremely sensitive politically. We would not like to add this to what we think is a good resolution.

We are against its going back to committee because of the possibility of someone who has spoken a little over to my left when I had to leave the room very briefly, being appointed rapporteur and we certainly know the sort of report that might well result. Therefore, I regret to say that we will press for a vote; we shall be asking for a roll-call vote and we shall oppose the amendments because of their generality and subjectiveness.

*(Parliament rejected the Fanti et al. motion)*

**President.** — We proceed to the Pannella *et al.* motion for a resolution on the situation in Turkey (Doc. 1-90/81).

It has been requested that this motion be put to the vote paragraph by paragraph.

I call Mr Israel.

**Mr Israel.** — *(FR)* In order to gain time, Madam President, perhaps you could put to the vote, first the preamble and paragraphs 1 and 2 together, then paragraph 3, and then the rest of the motion.

(...)

*(Parliament rejected the motion)*

**President.** — We proceed to the Glinne *et al.* motion for a resolution on the military junta in Turkey (Doc. 1-104/81).

I call Mr Chambeiron.

**Mr Chambeiron.** — *(FR)* Madam President, I request a vote paragraph by paragraph, but to simplify your task

I would suggest that we take the entire preamble at once and then vote on the subsequent paragraphs separately.

**President.** — Mr Chambeiron, we have first to deal with a number of amendments, but then we shall vote on the motion paragraph by paragraph.

(...)

*(Parliament adopted the resolution)*

**President.** — We proceed to the Bangemann *et al.* motion for a resolution on relations between the European Community and Turkey (Doc. 1-113/81).

I call Mr Brok for an explanation of vote.

**Mr Brok.** — *(DE)* Madam President, ladies and gentlemen, I wish to say that I shall be voting for the Bangemann motion, one reason being that I am a member of the COMECON delegation from this House, which is at present preparing for visits to Eastern Bloc countries. If we set up a committee to look into violations of human rights, we shall have done something positive.

I find it impossible to understand that there should be people opposed to this delegation, but nevertheless in favour of our going to Eastern Bloc countries and above all the Soviet Union, which at present can be regarded as the worst violator of human rights.

Human rights — and I should like to say this to Mr Chambeiron and others who maintain close party relations with Moscow — must exist everywhere. We must not therefore use them as a big stick to gain acceptance for certain one-sided political views along the lines of psychological warfare. What we should be doing is fighting for human rights everywhere in the world. For these reasons I shall be voting for Mr Bangemann's resolution.

*(Applause)*

**President.** — The Socialist Group has the floor.

**Mr Arndt.** — *(DE)* Madam President, Parliament should reflect for a moment on the present situation. All parliamentarians who take things seriously must accept the decision that has just been taken, even if it does not reflect their views. It should really persuade the authors to refer the motion for a resolution to the Political Affairs Committee so that it may become clear what decision, in this new situation, Parliament should now take, for it must be realized that there would be an obvious contradiction if the resolution that has just been adopted — albeit by a narrow

**Arndt**

majority — were to be followed by the adoption of this motion. Such a conflicting position in Parliament might prevent the authors from discussing the general situation once again in the Political Affairs Committee, if they are prepared to do so, and establishing what conditions must be satisfied before there can be any further action in this matter.

I am sorry that the Member whose name appears first on this urgent motion does not, after all, consider it so urgent that he needs to be present. I am referring to Mr Bangemann, of course.

*(Applause)*

There are certainly plenty of reasons for leaving the Chamber from time to time, but as Mr Bangemann is always very caustic when others do so, he will have to put up with this criticism.

*(Protest)*

... I am sorry, but I would point out that Mr Bangemann has commented on such situations on several occasions, hence this criticism. Mr Glinne has never criticized anyone for being absent on a Friday. But I wanted to say something about the resolution ...

*(Mixed reactions. Protest from Mr Klepsch)*

... I am speaking for the Socialist Group, Mr Klepsch. Please, do not make me waste any of my three minutes. I am simply trying to prevent Parliament from rushing headlong into an impossible situation again.

If we vote on this motion now, some people, whatever the outcome, are likely to find themselves in such a situation. In the circumstances, and after the decision that has just been taken, it would be sensible if the authors referred the matter to the Political Affairs Committee, so that we can examine the new situation in committee and avoid a clash here.

I would therefore appreciate it if you referred the motion to the Political Affairs Committee. Otherwise, in view of the vote that has just been taken, the Socialist Group will, of course, be compelled to vote against this motion.

*(Applause from the Socialist Group)*

**President.** — I call Mrs Scrivener.

**Mrs Scrivener.** — *(FR)* Madam President, in the circumstances and even though it is rather complicated for my group, seeing that Mr Bangemann is prevented from being here by a very important matter, I think it would be reasonable to request that this motion be referred to committee.

On behalf of my Group, I therefore withdraw the request for an urgent debate.

*(Applause)*

**President.** — The request for urgent debate is accordingly withdrawn. The motion for a resolution is referred to the appropriate committee.

The Commission has the floor.

**Mr Giolitti, Member of the Commission.** — *(IT)* Madam President, I would like to present the viewpoint of the Commission on this important question. Above all, I wish to express the Commission's great concern about the situation presently existing in Turkey. Relations with Turkey are particularly important in the context of Community relations as a whole, for Turkey is the only European country to which the Community is bound by an association agreement whose final objective is Turkish accession to the Community.

Such concern was at the root of the declarations issued by the Commission and the Council of Foreign Ministers immediately after the *coup*. These declarations were received by Turkey, which understands that the Community cannot compromise on two fundamental points: respect for human rights and a speedy return to democratic institutions.

The Community has nevertheless decided to continue cooperation with Turkey and to carry on with the administration of the association. For that matter, even before 12 September, when the application of the association agreement was projected in more or less normal conditions, the situation in Turkey could certainly not be considered one of normal democracy. A sudden break in the relations between Turkey and the Community could, in the opinion of the Commission, have counter-productive results.

This is why the Commission believes that the maintenance of relations along the lines indicated in the declarations by the Foreign Ministers and by the Commission constitutes the most significant contribution which the Community can make towards the rapid return of democracy. This implies, however, that the Community must be particularly vigilant and extremely firm in its condemnation of violations of human rights; it must continue to demand the respect of these rights and call for a commitment to determine a procedure and a timetable for the restoration of democracy.

With this in mind, the Commission feels that any dialogue, even with the Turkish authorities now in power, will be useful in gathering as much information as possible.

**Giolitti**

The Commission is therefore in favour of a visit to Turkey by a delegation from the European Parliament.

9. *Persecution of the Baha'i community in Iran*

**President.** — The next item is the motion for a resolution tabled by Mr Klepsch and others on behalf of the Group of the European People's Party, Mr Glinne and others on behalf of the Socialist Group, Sir James Scott-Hopkins and others on behalf of the European Democratic Group, Mr Nord and others on behalf of the Liberal and Democratic Group, Mr de la Malène and others on behalf of the Group of European Progressive Democrats and by Mrs Squarcialupi and others, on the persecution of the Baha'i community in Iran (Doc. 1-109/81/rev.II).

I call Mrs Van den Heuvel.

**Mrs Van den Heuvel.** — (NL) Mr President, as is apparent from the signatures under this resolution, a large majority of this Parliament considers it necessary, so soon after the resolution of 19 September 1980, to voice its protest again against the violent action taken by the Iranian authorities against members of the Baha'i community. The distressing reports that have reached us provide ample grounds for a protest. The destruction of property, including holy places, cemeteries and also offices, schools and hospitals, religious compulsion, with the Baha'is' mosques desecrated to force them to renounce their faith, arrests, executions and the wholesale uprooting of Baha'i village communities are just a few examples of the atrocious way in which people are persecuted in Iran purely and simply because of their faith. There is an urgent need for the Foreign Ministers of our Member States to use their influence to put an end to this discrimination against a religious minority, and my Group therefore fully endorses this resolution.

IN THE CHAIR: MR DE FERRANTI

*Vice-President*

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr Penders.** — (NL) Mr President, I must admit that initially we were somewhat reluctant to support this resolution, not because of the content, but because we must gradually get round to asking ourselves the serious question whether there is any point in our dealing with a veritable flood of resolutions on human rights every Friday morning. In the first place, what purpose do these resolutions serve? And then we must ensure that our Parliament works efficiently.

Although we only adopted a resolution on the Baha'is last September, we felt another one was necessary. The main reason is really that the Baha'i community is one of the most appealing and peaceable groups of people you can find in this world and that this appealing and peaceable community now has the grave misfortune of coming under the heel of just about the most violent and aggressive régime you can find in this world, the Iranian régime. This dreadful paradox of a likable and peaceable community on the one hand and the brutal and aggressive actions of the Iranian authorities on the other, which have also had the audacity to persecute the Baha'i community under the cloak of a revolution, is the reason why we are willing to lend our sincere support to this resolution. We must seize every opportunity we have.

I was pleased to note that various countries spoke out in favour of the Baha'i community at the conference of the United Nations Human Rights Commission in Geneva from 22 February to 13 March of this year. My Group is therefore very happy to support this resolution.

**President.** — I call the European Democratic Group.

**Mr Moreland.** — Mr President, the Baha'i community in Iran — the largest minority group in Iran — has been subjected to continual persecution. Such persecutions include desecration of their shrines, arrests without proper trial, beating and looting. Above all, a number of Baha'is are now being murdered.

What is crucial to this debate today is that in addition to the customary and false accusations of Zionism, espionage and being Western spies, the fact of being a Baha'i in itself is now a crime in Iran, and the crime of being a Baha'i has been the official reason for executions of Baha'is in the last few weeks. The Baha'i community has asked for this Parliament's support in bringing pressure to bear on the Iranian Government to stop its persecutions. The European Democratic Group believes that we should respond to this, and in that spirit I endorse all that has been said by the previous two speakers. We ask that this Parliament give the Baha'is our full support and ask the Member States through the Foreign Ministers to make representations to Iran and exert appropriate pressure.

(Applause)

**President.** — I call the Communist and Allies Group.

**Mr Papapietro.** — (IT) Mr President, in September we issued a declaration condemning the persecution of the Baha'i community; seven months have elapsed, and we are once again debating this problem. What has

**Papapietro**

happened during these seven months? Two members of this religious group were condemned to death; seventy others are in prison. If, therefore, we return to this question, it is because we fear that mass persecution of the Baha'i community may begin again. Yesterday someone denied the urgency of this issue and said that it would perhaps be better not to make another declaration, seeing that Parliament's earlier one had had no effect.

I don't think this is an acceptable argument, for in the face of violations of human rights such as those we are dealing with, what counts is not the immediate result. This is apart from the fact that we should perhaps investigate more closely to see if Parliament's intervention did in reality have any effect. If it did have an effect, and then the persecutions were resumed, this means that we cannot continue to struggle with the dilemma of 'either we obtain a lasting result or it is of no use to intervene', for a reiterated political and moral condemnation always has an effect, if not an immediate one; it has the scope and value of the great principles of freedom and human rights and its results are not always foreseeable.

This is why we have joined with the other groups in presenting this resolution, and why we will vote in favour of it.

**President.** — I call the Commission.

**Mr Giolitti, Member of the Commission.** — (IT) Mr President, I wish to say that the Commission fully shares the opinions expressed in this motion for a resolution and the concern about the persistence of discrimination, arrests, and violence in regard to the Baha'i minority. We hope that the vote Parliament is about to take on this motion for a resolution will have its desired effect as soon as possible. We also hope that the steps to be taken by the Foreign Ministers meeting in political cooperation as a result of Parliament's declaration will receive serious consideration from the Iranian government, so that the way may be opened to a resumption of the traditional good relations between that country and the Community.

**President.** — The debate is closed.

(Parliament adopted the resolution)

10. *Crisis in the Lebanon*

**President.** — The next item is the motion for a resolution tabled by Mr Hänsch on behalf of the Socialist Group, Mr Blumenfeld on behalf of the Group of the European People's Party, Mr Fergusson on behalf of the European Democratic Group, Mr Pintat on behalf

of the Liberal and Democratic Group, and Mr Israel on behalf of the Group of European Progressive Democrats, on the crisis in the Lebanon (Doc. 1-112/81).

I call Mr Hänsch.

**Mr Hänsch.** — (DE) Mr President, ladies and gentlemen, the people of the Lebanon are again experiencing days and nights of terror and violence and are suffering under a war that repeatedly flares up. We know that the situation there is extremely complicated and confused, as a result of circumstances peculiar to Lebanon, for which those who are now suffering most are themselves to some extent to blame. Action from outside the country, due to Lebanon's strategic position in the Israeli-Arab conflict, has also played its part. As Mr Israel has, I am glad to note, already implied, we do not have any simple recipes for the settlement of the crisis or for bringing an end to the violence in Lebanon and throughout the area; but we can and must make our voices heard, we must make it clear what we want.

First of all, we must call for an immediate and permanent cease-fire in Lebanon. Secondly, we must call for an increase in the UN contingent and for it to be made possible for it to do exactly what it is there for. Thirdly, we must help to ensure the withdrawal of all foreign troops from Lebanon apart from the UN contingent. Only then can the UN contingent fulfil its mandate. Only then can our fourth demand be met, that full sovereignty be restored to Lebanon, to a Lebanese government throughout the territory of Lebanon, including, therefore, the south of the country, this being a very important point.

I therefore appeal to the Ten — and Parliament should do the same — to give their support to these demands and our joint motion on the Middle East.

(Applause)

**President.** — I call the Group of the European People's Party (Christian-Democratic Group).

**Mr d'Ormesson.** — (FR) The European Community has a particular duty to Lebanon, the meeting-place of Christianity and Islam. It has a duty to act to restore peace and sovereignty to this country. With this aim in mind, the motion for a resolution before us, in calling, first, for a ceasefire by virtue of Resolution 346 of 6 October 1978, for the application of which the Assistant Secretary-General of the United Nations is responsible, and, second, for the withdrawal of foreign armed forces occupying Lebanon and their replacement with a larger UNIFIL contingent, reflects this desire and what the Lebanese expect of us. Consequently, the Group of the European People's Party,

**d'Ormesson**

which has also signed this motion for a resolution, very much hopes that it will be adopted.

**President.** — I call the Liberal and Democratic Group.

**Mr Beyer de Ryke.** — (*FR*) Mr President, I have been asked at rather short notice to speak to this resolution. Despite this, I have no difficulty in expressing my approval because, where Lebanon is concerned, the language of the heart tallies with the language of reason. My Group therefore fully approves of this resolution, although it does ask the House to adopt an amendment to paragraph 2, which seeks to add the word 'Syrian' before the word 'bombardment' at the end of this paragraph. I feel we must be specific about the responsibilities of a country and of an intervening force.

If I may, I should like to add a few thoughts on this situation. I recall a phrase used by General de Gaulle: 'I am flying to the East with simple ideas.' He was referring to Lebanon. I believe that today, in the tragic cacophony, the bloody anarchy that reigns in Lebanon, we can and must have a few simple ideas, because we cannot accept, simply by standing by, the destruction of a whole nation and of a whole civilization.

We Europeans have a moral duty to Lebanon. And I would like to recall something said a few hours ago by someone I know and whom I used to see a lot of a few years ago, Raymond Aigdé, when he called for the intervention of an Arab-European force to remove from the conflict any religious or racial element that some people have a great interest in exacerbating. And thinking of the European contingent, I would say that, although I have no advice to give, if there is one nation and one country which history suggests can and must stand by Lebanon today more than any other, it is quite obviously France. Not being a Frenchman myself, I have no advice to give to the French Government, but what I can say is that, if France intends to become more involved on the side of a natural ally, Lebanon, I believe that we other Europeans have a duty to support the French Government, because by defending Lebanon and its civilization, we shall be defending ourselves.

**President.** — I call the European Democratic Group.

**Lord Duoro.** — Mr President, on behalf of my Group, I welcome this joint resolution signed by five political groups. The Cooperation Agreement between the EEC and Lebanon leads us to be particularly concerned about what is happening at this moment in that country. A cease-fire appears to be in operation at the moment, and we must all hope that it continues. It also appears that the Red Cross were able yesterday to

go in and evacuate wounded people from Zahle. That means that paragraphs 1 and 2 of the motion for a resolution have been overtaken by events, at least for the moment. It is paragraph 3 which is therefore the important clause and I very much hope that the United Nations forces in Lebanon will now be strengthened and that all other foreign troops in the country will be withdrawn.

This, Mr President, is an impartial resolution. It expresses the political will in this Chamber to see an end to the fighting in Lebanon and a return to normality in that country, and I call upon the House to support this motion.

**President.** — I call the Group of European Progressive Democrats.

**Mr Israel.** — (*FR*) Mr President, my Group, which has also signed this resolution, will, of course, be supporting it. Lebanon was long an example of the coexistence of different communities and different people. This has now changed. It has changed because, first of all, Lebanon has become a victim of the Palestinian drama and, above all, because Lebanon is now occupied by Syria under the cloak of the Arab deterrent force, a so-called international force. But as Syria is itself dominated by the USSR, it is easy to imagine how confused the situation in Lebanon is at present.

How are we going to overcome this? The first move would obviously be to unmask the Syrian intervention in Lebanon, because this intervention has taken place under the cloak of an international force which does not exist. I beg to differ here with my friend Mr Beyer de Ryke, who has taken up Mr Aigdé's proposal that an Arab-European force should be set up to protect Lebanon. That is something of a dream.

The most important thing we should try to do is to have Syria discredited in the Lebanese affair. I am well aware that Syria would have us believe that its departure would result in an indescribable confrontation between the progressive Palestinians and the allegedly conservative Christians. This argument is absolutely false, and it must be denounced by the international community. There is every likelihood that a Syrian withdrawal would not cause Lebanon any serious difficulties. Consequently, this resolution seems very timely to me. It is moderate, and it is not as emphatic as it should have been about Syrian's interference in Lebanon's internal affairs. I would point out in this connection that Syria has never given diplomatic recognition to the existence of Lebanon, that there has never been a Syrian ambassador to Beirut since Lebanon came into being. I would therefore say that if there is one thing that constitutes a serious threat to the existence of Lebanon, it is at present the Syrian occupation. I denounce this occupation in my explanation of vote, but I welcome the fact that the resolution

**Israel**

is moderately worded, and I hope that, because of this, it will achieve its object.

**President.** — I call the Commission.

**Mr Giolitti, Member of the Commission.** — (IT) Mr President, the Commission fully shares the views set down in the motion for a resolution. Lebanon certainly welcomes European peace efforts, and it will be grateful for Parliament's expressions of sympathy, but it is counting much more on an energetic diplomatic initiative among the various conflicting parties on the part of the Ten. As always in such cases, the Commission is ready to furnish emergency food aid as soon as it receives an official request from the Lebanese authorities or from a humanitarian organization.

A delegate from the Commission is, moreover, already on the spot, and this will facilitate the organization — in cooperation with Lebanese authorities and specialized international organizations — of such aid programmes.

**President.** — The debate is closed.

We shall now consider the motion for a resolution.

(...)

I can now give the floor for explanations of vote.

I call Mr Marshall.

**Mr Marshall.** — Mr President, I shall vote for this resolution but regret that in the debate frequent mention has been made of Syrian troops but none of the PLO. One of the tragedies of Lebanon is that the PLO terrorists who were expelled from Jordan by King Hussein have used Lebanon as a haven so that their hit-squads can attack Israel. Some weeks ago, a number of Members of this Parliament were on the good-fence border between Israel and Lebanon. A fortnight later, that was to be the object of a PLO attack, and it brought it home very vividly to us when those Israeli children and women we had seen were to be the object of attack and some of them died.

One of the tragedies of Lebanon is that these attacks on Israel are taking place with the connivance of UNIFIL. It is meant to be a peace-keeping force, but it has in fact encouraged violence and has done nothing to remove the PLO bases from Lebanon.

In their public utterances, certain officers of UNIFIL have been anything but unbiased. When we were in Israel, a Dutch officer claimed that the Israelis had burnt the bodies of certain PLO guerrillas. The Israelis challenged him to come to a *post mortem*. He refused

on the grounds that to do so would be to take sides. I have never heard anything so ridiculous.

Those who have been to the good fence realize that the Israelis and the Lebanese have a great deal of goodwill for each other. There has never been an attack on Israel from Lebanon. All we have seen is guerilla warfare from the PLO, and the sooner the Lebanese are able to expel the PLO in the same way as King Hussein did, the sooner real peace will come to that part of the Middle East.

**President.** — I call Mr Kappos.

**Mr Kappos.** — (GR) Mr President, I was surprised to hear what has been said about the Palestinians. We cannot close our eyes to the human rights issue, nor can we refuse to recognize the Palestinians' basic human right to have their own territory.

Mr President, we shall not vote in favour of this proposal because, in the first place, we consider that it does not fall within the sphere of Parliament's responsibility, and, second, because it is clear that the aim of the present plan is to partition Lebanon by merging Haddad's small State with the territory which the Falangists at present control. What does the motion say? The PLO's armed units and the Syrians should withdraw. And who should remain? The Falangists should remain with support from Israel to carry out this plan.

Mr President, in addition to what I have just said the motion makes no reference to Israel's role. On the other hand, the Greek Government is being pressed by the EEC to develop relations to support Israel in its attempts to disrupt the Middle East. It is precisely for these reasons that we are opposed to the motion.

**President.** — I call Mr Hord.

**Mr Hord.** — Mr President, I shall be voting for this resolution but in doing so I would like to point out that the party responsible for the hostilities in Lebanon is the PLO backed by Syria. I think also it should be remembered that it is the same organization — the PLO — which the European Council in its Venice Declaration was prepared to recognize. I believe that note should be taken that the PLO are not only responsible for the hostilities in Lebanon but are also pledged to destroy Israel.

(Parliament adopted the resolution)

#### 11. Franco-German loan

**President.** — The next item is a joint debate on the motion for a resolution tabled by Mr Ippolito and

**President**

others on the OPEC loan to France and the Federal Republic of Germany (Doc. 1-128/81) and the motion for a resolution tabled by Mr Adonnino and others, on behalf of the Group of the European People's Party (CD Group), on the Franco-German loan (Doc. 1-135/81).

I call Mr Ippolito.

**Mr Ippolito.** — (IT) Mr President, I will be very brief, for the resolution speaks for itself: it is in our opinion necessary for a protest to be raised in this Parliament when some Member States undertake unilateral actions which threaten the very existence of European collaboration. For that matter, as far as I know no mention was made of this loan by the representatives of the contracting countries either at the Council of Ministers at Maastricht or at the Council of Energy Ministers which took place last week.

As this point, Mr President, Parliament must issue a clear statement, not against such an operation *a priori*, for the operation itself can be considered as a positive one, but rather against the way in which it was conducted. It would have been greatly preferable to negotiate the loan within the framework of the EMS, with the eventual participation of the EIB, in order to favour the Community as a whole. In this way the Community could have overcome the inertia which has prevented it from taking decisive action on energy and responded to the repeated requests of Parliament's Committee on Energy by initiating a common policy in this field.

This is why we in our resolution express great anxiety over this measure, a measure which should in any case be the object of a thorough study by our Committee on Economic and Monetary Affairs.

**President.** — I call Mr Adonnino.

**Mr Adonnino.** — (IT) Mr President, as we all know, this problem arose as the result of vague references made on television and in the press in the last few days, rumours which subsequently received official confirmation. I understand that Mr Ippolito strongly opposes the method employed in the operation but not the operation itself, which in his view offers some positive aspects. It is to this that we, with our resolution, wished to call attention. These operations are aimed at recycling petrodollars, and they also have internal objectives, which presuppose difficulties, and, consequently, attempt to resolve those difficulties in regard, for example, to the tracing of funds on the money markets. Such operations, however, as soon as they become known, call for a study on the part of this Parliament to determine whether they are compatible with Community principles.

In my opinion, such compatibility is possible, provided, however, that the situation itself continues to develop. Why? Because measures are necessary to bring the problem into the Community framework. In this context, ladies and gentlemen, certain Community failings become apparent: deficiencies in the area of employment, of industrial policy, of energy policy — deficiencies which have often been pointed out — as well as the responsibilities, rationalizations, and obstacles which the Council has had to associate with progress in these sectors. Other necessities arise as well, although they are not mentioned in the Ippolito resolution, which only criticizes the aspects Mr Ippolito has indicated. I, on the other hand, believe that we as a Parliament should adopt a more positive approach. As I have said, it is necessary to bring these operations within the framework of the Community, but not by means of merely national measures: any such action should constitute a definite step towards the development of a broader Community programme. The Community's primary objective should be the balanced development of the economies of the Member States. The Commission, as well as Parliament, has frequently asserted that such development, especially in the energy and industrial sectors and from the standpoint of employment policy, is of great Community concern and therefore deserves Community priority. It should be remembered that unfortunately the Council has raised many obstacles to the implementation on a Community level of measures involving these sectors.

We feel, therefore, that measures of this type should take the complementary conditions in the Member States into account, but that they are fully effective only within the Community framework. This is why I think we should stress that Parliament considers this problem to be of great importance. This initiative is undoubtedly symptomatic, and in some ways even emblematic, but it must dispel any anxiety concerning the Community failings mentioned in the resolution. It is therefore necessary that measures to develop the situation be taken both by the countries involved and by the Community as such.

As we say in our resolution, the European Parliament will be attentive on this point; it will later examine and evaluate the progress it now demands. Parliament also demands — and expects — that the Commission and the Council, each in its own area, make some fundamental, conclusive decisions in the immediate future regarding this question. If this is not accomplished, Parliament will be able to draw its own conclusions.

To conclude, ladies and gentlemen, I believe that the Ippolito resolution, which criticizes the procedural more than it does the substantive, and my own resolution, which proposes some positive steps to be taken to put the problem back into the Community framework, are compatible from a certain viewpoint and can therefore be voted upon together. I hereby offer to the

**Adonnino**

Assembly the resolution I had the honour to present, both on my own and on my colleagues' behalf.

**President.** — I call Mr Diana on a point of order.

**Mr Diana.** — *(IT)* Mr President, I only wish to ask for a clarification. I have here two texts of Mr Adonnino's proposal, one in French and one in Italian. The first paragraph of the Italian text concludes with the words: 'which encourages the creation of jobs', while the corresponding paragraph of the French text says 'which encourages the creation of jobs in the Community'. It appears to me that it is very important to know whether we hope that these jobs will be created in the Community, or only in two of the Member States of the Community. I ask, therefore, for an explanation from Mr Adonnino.

**President.** — I call Mr Adonnino.

**Mr Adonnino.** — *(IT)* There is an error in the Italian text. The original is the French text, which includes the words 'in the Community.' — This for the benefit of Mr Diana and his colleagues.

**President.** — I call the Socialist Group.

**Mr Moreau.** — *(FR)* Mr President, as I indicated this morning during the vote on urgent procedure, we are in favour of the ideas set out in the two resolutions, except for one point made in Mr Ippolito's resolution, that is paragraph 1(b), where he says he feels that bilateral measures taken by two countries are in conflict with the spirit of the Treaty. We do not think we can agree with him on that. This being the case, we shall abstain in the vote for the following reasons: although we feel that the decisions that have just been taken by these two countries may well add to the present confusion in the Community and to the difficulties we face in trying to establish convergent policies in an effort to solve the employment problem and the problems in industry, we nevertheless consider it would be a good thing if this Assembly could discuss this matter on the basis of a report drawn up by the Committee on Economic and Monetary Affairs. That is why my group will be abstaining.

**President.** — I call the Group of the European People's Party (Christian Democratic Group).

**Mrs Gaiotti de Biase.** — *(IT)* Mr President, the European Parliament cannot but react with anxiety to the tendencies observable in the present situation of Community paralysis: the inability to plan on the European level, the propensity to respond with

national solutions destined to increase the disparities between the different economies. In the past, in the course of scientific and political debates, possible solutions for the monetary imbalances due to petrodollars have frequently been examined: solutions proposing support for research and for development in the fields of energy and technology, and solutions calling for investments in Third World countries lacking in raw materials. In nearly every case these proposed solutions have been based on the assumption that the protagonist of a coordinated policy of this type would of necessity be the Community, as the promoter of an economic initiative committed to creating its own monetary policy, to conducting a dialogue with the Third World, and to forming a collective partner with the OPEC countries. This has not been the case, from the failure to apply the Brema decisions, to the first oil crisis in 1973, to the latest scandalous Community budgets and the vague and half-hearted declarations of the European Councils. It would be absurd to attempt to deny that even the strongest members of the Community who are now participating in this loan bear no responsibility for these failings — almost the innocent victims of the suspension of integration.

The vacuum in the area of Community initiative is now having serious consequences. The situation we are now examining is a sign, a very dangerous sign, of a reversal of direction. Not only is the Community no longer able to take even a few small steps forward, but it is on the verge of making the decisive choice to retrace its steps backward.

Parliament must openly condemn these tendencies and take common measures with the Commission to block them immediately. This can be done clearly and explicitly as suggested in Mr Ippolito's proposal. It can be done, as Mr Adonnino pointed out, diplomatically and positively — perhaps a little too diplomatically, inasmuch as the Adonnino resolution, if approved without amendments, might be interpreted in an opposite sense to that intended by its supporters — in the proposal made by the plurinational EPP. What we need to do is to subject the problems which motivated this loan to a common strategy aimed at convergence and not at widening existing discrepancies. In saying this, we also say 'No' to any plans for a *Europe à la carte*.

**President.** — I call the Communist and Allies Group.

**Mr Maurice Martin.** — *(FR)* Mr President, I should like to explain briefly why the French members of the Communist and Allies Group are categorically opposed to the Giscard-Schmidt loan, which is an extremely serious matter. The first reason for our opposition stems from the fact that the real aim of this loan is not to satisfy the needs of the people and nations but to further capitalist restructuring. It will mean even more closures and even greater unemployment. This loan will provide the employers with the

**Martin**

ready cash to strengthen their policy of redeployment and to create further unemployment. We say 'No' to this scandalous way of financing monopolies on a European scale.

The second reason is that, to borrow, you have to go into debt. Interest will have to be paid. Everyone knows that. France, for its part, will be going into debt to the tune of 15 000 m francs. There will therefore be a sizeable bill for the French tax-payer. The mortgage on France and on the workers will be considerable. We say no.

The third reason is that borrowing abroad is all the more intolerable as the French employers are rolling in money. They are increasing their profits, they are speculating and exporting their capital. They should be providing the money needed for investments in France, for production for the home market and for export and to ensure full employment.

The fourth and last reason is that there has been no commitment to a revival of production in my country. It is an increased debt for France, as I have said, but it is also a pledge to buy more equipment abroad, particularly in the Federal Republic of Germany. A Franco-German loan of this kind is therefore a new and serious attack on our national independence. This cannot be accepted.

I would add before I conclude: Schmidt to the rescue of Giscard d'Estaing, the two-headed eagle, what a symbol! Without a doubt, whether Giscardian or Socialist, it is the same policy of supporting capitalism. Jacques Delors, a Member of this House, himself admitted a few days ago that the idea of a Franco-German loan had come from the Socialist Party. I will quote from his statement as it was published in the information bulletin of François Mitterand's campaign on 4 April: 'I cannot criticize this idea, since I myself suggested it on behalf of the Socialists in the European Parliament 18 months ago and on various occasions since then.' The French members of the Communist and Allies Group, however, do criticize this idea. It will be a bad thing for the workers, for France and for its national independence. You need not count on us to support this policy. What the motions that have been tabled are basically trying to do is to speed up European financial integration, which is the immediate object of the Franco-German agreement. We shall vote against.

**President.** — I call Mr Filippi.

**Mr Filippi.** — (IT) Mr President, ladies and gentlemen, I will briefly explain our vote in favour of Mr Ippolito's motion for a resolution. Although I fully appreciate the effort made by the co-signers of Mr Adonino's resolution to include the various legitimate positions existing within the Group of the EPP, I see

the results obtained as equivocal, and sometimes useless. As Mrs Gaiotti very rightly observed, this was a unique opportunity to react with a clear condemnation to the new disappointment and humiliation inflicted upon Europe and its wider prospects of unity by Chancellor Schmidt and President Giscard d'Estaing. It is true that in the EPP resolution some meaningful references are made, but this is not enough. This, ladies and gentlemen, was a unique opportunity to express a clear and firm condemnation of these pseudo-patriotic and disruptive measures which run counter to the purposes for which we were elected to this European Parliament.

**President.** — I call Mr Travaglini.

**Mr Travaglini.** — (IT) Mr President, the motion for a resolution concerning the OPEC loan to France and the Federal Republic of Germany presented by members of the EPP, including myself, reflects the pressing need to undertake without delay the organic and coordinated restructuring of the productive apparatus of the Community, especially in sectors where there is a high proportion of skilled labour and in the sector of future technologies.

It can certainly not be denied that the activities of restructuring and reconversion are being pursued in the individual Member States in a completely independent manner, without making use of the national complements which can alone provide the Community productive apparatus with lasting efficiency and structural characteristics suited to face the increasing competition from extra-European industrialized nations.

The present mode of action, should it be continued, will lead to the creation of imbalances which will affect the efficiency of the system and thereby weaken the ability of the Community to maintain and increase its share of the market. At the same time, the countries in the Community which are prevented by the persistence of the economic crisis from keeping abreast in the fields of the most directly productive investments will experience still greater difficulties. Recourse to bilateral agreements is no solution, for they are harmful to the unity of the Community and, in the long run, are obstacles to its development.

It would have been easy for us, the representatives of Italy in this Parliament and signatories of the motion for a resolution to raise a vigorous protest. We agree with the substance of the Ippolito motion. Some of us have chosen a course which may perhaps be less superficially attractive but which is certainly more constructive. It is well to resort to international loans based on the recycling of expansion of the national money supply and has beneficial effects on the inflationary process. The rapid implementation of a strategy of reinforcement and renovation of the Community's industrial structures is of the first importance. In this

**Travaglini**

regard we regret that the text of our motion for a resolution laid before Parliament does not correspond completely with our original text: unfortunately, because of the short time available, corrections were made which may give rise to some confusion. Not only do we not welcome the Franco-German bilateral agreement, but, assuming an attitude of substantive disapproval, we have requested in point 4 of the motion that this Franco-German measure be guided back onto the Community path, while waiting for the Community to perform its official task of adapting its structures to the direct objective of coordinating and supporting measures to restructure national productive mechanisms.

The Franco-German initiative should be developed through a request to all the other countries to associate themselves with it under the guidance, the coordination, and the guarantee of the Community, in the manner which is possible today. I foresee that in the future such initiatives — individual or multilateral — will continue to be taken. The Community bodies, which already bear so much of the responsibility for the delays in the common industrial and structural policy, will have still more to answer for as long as they persist in their near-indifference to independent and uncorrelated initiatives on the part of various Member States in this vital sector of Community development. The Commission in particular must draw up and present to Parliament and to the Council without delay the indispensable plans for the coordination, promotion, and support — including financial support — which the Community must undertake in order to renovate its means of production and conduct research for future energy independence.

**President.** — I call Mr Langes.

**Mr Langes.** — (DE) Mr President, as a German Member I should like to say very briefly that I fully understand that the Italian Members, for example, do not welcome this bilateral agreement on the Franco-German loan. A great deal of what Mr Filippi and now Mr Travaglini have said I consider to be quite correct from this point of view. I therefore ask the House to approve the Adonnino motion, because it states that we do not see this as conforming to the European spirit, unless it is taken up by the Commission, the European Community. But, of course, President Giscard d'Estaing and Chancellor Schmidt cannot be criticized for taking action on their own which the European Community, as such, has obviously felt incapable of taking. As employment and structural improvements are at stake, we should not condemn this action. I would therefore ask the Italian Members who object to understand that, although their German colleagues do not think it is a good thing, they do feel that the European Community has not really done its duty.

**President.** — I can now give the floor for explanations of vote.

I call Mrs Macciocchi.

**Mrs Macciocchi.** — (IT) Mr President, I wish to express my favourable vote on the motion presented by Mr Ippolito, and for clarity's sake I will say that in my opinion this motion is perhaps the only one based broadly enough to command widespread support. The problem which faces us today is not only the one touched on by other speakers: there is also a delicate political problem, for the joint action taken by Paris and Bonn strengthens the picture of the impotence, even the paralysis of Europe, the Europe of the Community.

I would remind you that for many years — in fact since the origin of this Parliament — we have all been disturbed by the Franco-German hegemony that has appeared in this House. I am reminded of a famous story by George Orwell, 'Animal Farm', in which the animal which seizes power pronounces the famous words 'we are all equal, but some are more equal than others'. This reflects the role too often assumed in this Parliament by German and French delegates or the German and French Governments. It is particularly unpleasant for our Parliament that all this is taking place during an electoral campaign, that it has an electioneering purpose, and is thus being conducted in a framework which we can only regret and deplore.

Turning to the hub of the matter, I will remind you of the definition given by Jacques Delors — which seems to me quite correct and which should have been quoted more accurately by my Communist colleague — when in *Le Monde* he speaks of a

'Community in fragments, almost incapable of formulating and pursuing an external policy worthy of the name in the field of trade, monetary regulation, or North-South relations, and unable to take a strong line towards either the Americans or the Japanese.'

This is the problem, and this is why we will vote for the Ippolito motion.

**President.** — I call Mr Ripa di Meana.

**Mr Ripa di Meana.** — (IT) Mr President, I will vote for the Ippolito resolution, the only one which I feel is energetic, precise, and suitable in the serious conditions now affecting Parliament, Parliament which only yesterday made an important European vote on the question of own resources, on the Spinelli proposal, and perceived at the same time that the cloth worked in daytime is unravelled at night by the national governments. The pious tone of the text of the Adonnino-Klepsch resolution, which seems to be character-

**Ripa di Meana**

ized by a holy innocence, is not equal to dealing with such a situation. Its attempt to recover for the Community what has already been done without confronting the issue itself directly and decisively will most probably end up in the store-house of good intentions.

A vigorous and uncompromising protest against this initiative should be raised, also on behalf of the Italian Socialist Party, which at this time shares in the responsibilities of government in our country. We do not understand how Chancellor Schmidt can have welcomed such an initiative, considering the electoral use which the French President has made of it and will continue to make until the end of the French electoral campaign.

For this reason the Ippolito text, which clearly follows the trend of opinion in the European Parliament and in the national parties represented here, deserves, in our view, the full support of Parliament and of each of us.

**President.** — I call Mr Pannella.

**Mr Pannella.** — (*FR*) Mr President, I shall be voting for Mr Ippolito's motion, and I too shall do so with a great deal of conviction because this is an underhand move due to the anti-European cynicism of one of the two parties who, in principle at least and for the immediate future, will derive advantage from this financial operation. Giscard's cynicism — the label has, it seems, to be Liberal — is unfortunately such that he does not shrink from an operation that will certainly be dangerous, even for France. This shows even more clearly how close Chancellor Schmidt's policy has come to President Giscard's. Every day — and from all quarters, from Moscow, for example — President Giscard d'Estaing seems to be getting some kind of help, which is becoming increasingly overt. Every anti-European should be putting his money on Giscard and his success. Everyone who is strongly opposed to the better values of Europe feels the need to support this king, who is making it increasingly clear that he believes in nothing so much as his own power. In such cases, I believe, there is a need for intervention. I hope that my government, if it can be called a government, will take some kind of action and make its arguments known. I am not absolutely sure it will: instead, it will protest when it is too late, and the Commission, in the end, will do the same.

So we are in no way party to these fool's bargains we see being struck every day at Europe's expense. Let us say that Mr Ippolito's proposition and the positions he adopts are the clearest. Let us say to Mr Adonnino — I believe one of the signatories himself admits it — that his text does not express what he says he wants to express and achieve. Certain phrases may be inter-

preted as saying exactly the opposite of what Mr Adonnino has told us.

In these circumstances, there can be no confrontation. You can vote for Mr Adonnino's motion if you think it necessary, but you can also vote for Ippolito's motion. I hope we shall do so, Mr President, although today is the day for confrontations. My dear friend Mr Ippolito should realize that we can only continue by giving a great deal of money to Mr Giscard d'Estaing. He can have lots of money for his plutonium and for his conception of Europe, which today does not correspond to mine.

**President.** — I call Mr Kellett-Bowman.

**Mr Kellett-Bowman.** — Mr President, I am going to abstain, because I believe that any investment in the Community from outside should be welcomed. Any opposition from within the Community reflects that our policies for economic convergence are totally inadequate.

**President.** — I call Mr Almirante.

**Mr Almirante.** — (*IT*) Mr President, I asked to speak because I don't know whether I shall have the time to vote, but I wish it to be on the record that I vote, in the name of the Italian National Right, in favour of Mr Ippolito's motion for a resolution, as I wish it to be on the record that yesterday, with our motion for a resolution which has not been debated — because we did not have the necessary number of signatures to ask for urgent procedure — we were the first to take a stand against this scandalous event. I wish all of this to be on the record, so that the position of the Italian Right, which I have the privilege of representing on this occasion, may be clear.

*(Parliament rejected the Ippolito motion)*

**President.** — We shall now consider the motion for a resolution by Mr Adonnino and others.

(...)

*Paragraph 1: Amendment No 3.*

I call Mr Adonnino.

**Mr Adonnino.** — (*IT*) Mr President, I only wish to make one clarification. This is amendment number 3, by Mrs Gaiotti di Biase, which I think restores the balance which, as was previously explained, was altered for linguistic reasons in the Italian text in respect to the French text. I therefore favour this amendment.

(Parliament adopted the resolution)

## 12. Situation in Poland

**President.** — The next item is a motion for a resolution tabled by five political groups on the situation in Poland (Doc. 1-129/81).

I call Mr Habsburg.

**Mr Habsburg.** — (DE) Mr President, no questions worthy of note have been raised in connection with the resolution, although there are two of general interest in this context.

The first question is whether there is any point at all in issuing a clear political statement on Poland today. We really ought to know from history — but unfortunately there are too many people who never learn from history — that nothing can ever be achieved with totalitarian, imperialist and hegemonic States unless clear language is used from the outset.

Silence or concentration on humanitarian matters, which are also important, is ultimately seen as encouragement by a totalitarian power. That is why various governments and NATO have told the Soviets in very clear terms what would happen if there was a Russian invasion. The European Parliament undoubtedly has a duty to endorse these unambiguous statements. We are, after all, the representatives of the European people and we have a responsibility towards all the peoples of Europe.

An amendment has also been tabled to this resolution, its main purpose being to remove all its teeth and so make it into a kind of toothless mollusc that will frighten no one. On the contrary, it will merely serve to encourage the other side, because it will show that we can only put up a façade.

I therefore call on you to adopt this resolution in its entirety, as it has been tabled by the five groups, for it will not be without effect.

**President.** — We shall now consider the motion for a resolution.

(...)

I can now give the floor for explanations of vote.

I call Mr Ripa di Meana.

**Mr Ripa di Meana.** — (IT) Mr President, the situation in Poland remains very serious; even though the troops participating in the 1981 'Soyuz' manoeuvres

have been withdrawn, all the logistical and air-control installations and all the specialized personnel for a possible invasion have remained. In this situation, we must express our full support of Solidarity and of the million members of the United Polish Workers' Party who participate in its efforts. We also express our faith — naturally not unconditionally but in view of the work done — in the present ruling team, both Jaruzelski and Kania.

It is evident that, in Prague, Brezhnev and Husak have not put an end to the Polish incident. The very formula used by Brezhnev — 'it must be remembered that...' — is a threat to the Congress of the United Polish Workers' Party, which is planned for the end of July. In this connection, we feel — and I speak here also for Mr Pelikan — that the resolution presented today is necessary, timely and very useful. Community aid is not affected by sentiment; it is generosity directed at the Polish people, but it can under no circumstances be confirmed if this people is subjected to force from outside or to internal repression.

This is why Mr Pelikan and myself, though we are not enthusiastic about the entire resolution, approve its general spirit and will vote in its favour. We regard the text prepared by Messrs Blumenfeld, Bettiza, Israel and Mrs Macciocchi as one that deserves to be supported. We wish the situation in Poland to remain open, and hope that no threatening wave of reaction headed by Mr Olszowski or Mr Grabski will set in.

**President.** — I call Mrs Macciocchi.

**Mrs Macciocchi.** — (IT) My explanation of vote concerns the fact that in the previous plenary session I myself was the promoter of a motion which was somewhat narrower in scope than the one presented today but which, all things considered, followed the same approach. On that occasion we were presented with a motion by the Christian Democratic Group — a motion whose general outline we support — which contained a list of Poland's needs and a mention of our own willingness to help, but which completely and almost perversely ignored the current political situation in that country. After that plenary session, in fact, the Warsaw Pact manoeuvres were conducted on Polish territory. This left me more than ever convinced that it was our duty as a parliament to take a political stand. We finally drew up this resolution, which is a more or less common effort despite our differing points of view on ideological politics.

As Mr Ripa di Meana did a moment ago, I would like to stress the fact that the situation in Poland is extremely precarious. I address the previous speakers in saying that the fact that the Warsaw Pact manoeuvres have been concluded — which is definitely a good sign — should not lead us to indulge optimism too far, for we cannot forget that in the summer

**Macciocchi**

of '68 in Czechoslovakia the troops withdrew after their manoeuvres only to return in force two weeks after the Bratislava Summit of 4 August. Therefore, without putting on Dr Pangloss's rose-coloured glasses, we will not forget that in his speech in Prague Brezhnev was very clear, saying simply that he hoped — I say 'hoped' — that the Polish Communists would be able to deal properly with the enemies of Socialism. But who are these Communists? They are anonymous people, and perhaps they will always remain anonymous, like the people who, in Prague, invited the Soviets to invade their city and their country.

This, then, is why we believe that in the present situation a motion such as this, drawn up in strong terms, even though containing harsh elements which were not part of my previous resolution, can be approved. With this resolution we intend to support the legal Polish authorities, specifically Kania and Jaruselski, and to encourage them to find peaceful solutions; we furthermore request that food aid and financial aid should be continued, while warning that this aid will stop if this government initiates an internal repression or if such repression is brought about by external forces; finally we denounce once again the pressure exerted by the Soviets, indicating the serious measures we will take, if circumstances render them necessary, to help the Polish people and the Polish workers to find the way to freedom in socialism.

**President.** — I call Mr Penders.

**Mr Penders.** — (NL) Mr President, I was reluctant to be involved in a preventive resolution, if I may call it that. There is undoubtedly something to be said for marking time for the moment, now that the manoeuvres have ended and while the congress of the Czechoslovakian Communist Party is in progress, so as not to disturb the very precarious atmosphere. I must say that paragraph 1 certainly went too far for my liking. Hence my attempts to have this paragraph removed by tabling amendments.

I found the resolution adopted by the European Parliament last September far more sensible. On the other hand, I must say I find it a good idea that we should not always react after the event. It is also a good idea not to let the Madrid conference close while this abnormal military situation in and around Poland continues. All things considered, therefore, I feel I can vote for this resolution.

**President.** — I call Mr Pannella on a point of order.

**Mr Pannella.** — (IT) Mr President, I had requested to make an explanation of vote, but, since things have turned out this way, . . . never mind. I request a roll-call vote.

(Parliament adopted the resolution)

13. *European Council in Maastricht*

**President.** — The next item is the motion for a resolution tabled by Mr Klepsch and others, on behalf of the Group of the European People's Party (CD Group), on the European Council in Maastricht (Doc. 1-134/81).

I call Mr Konrad Schön.

**Mr Konrad Schön.** — (DE) Mr President, ladies and gentlemen, we have had a lengthy debate on the disappointing outcome of the Maastricht summit meeting, but I feel it is a good parliamentary custom not only to express disappointments verbally but also to set them down in a resolution, so that the Council of Ministers is formally reminded of its responsibilities. I consider this extremely important. If we are going to complain that political awareness in Europe is beginning to wane and that our governments are incapable of achieving progress in the policy of European integration, we should do so in a formal statement to the Council of Ministers, the content of which should, I feel, be properly balanced. I call on the House to adopt this motion.

(Applause)

**President.** — I call the Socialist Group.

**Mr Arndt.** — (DE) Mr President, this urgent motion is somewhat unusual. Normally a motion of this kind is tabled so that a debate can take place, but the debate on this subject took place on Wednesday.

Unfortunately, this resolution really refers to only very few of the problems we discussed on Wednesday. The Socialist Group would have been willing to prepare a joint resolution on the basis of Wednesday's debate if it had been approached by the authors. A resolution of this kind serves a purpose only if it clearly states the views of the majority of Parliament on the various subjects broached at the summit meeting in Maastricht. After all, Parliament has just complained that no clear decisions were taken, but what we now have before us does not reflect what was said during what I consider to have been an excellent debate on Wednesday.

It will not be doing Parliament a service in any way to forward to the Council a resolution like this, which does not even state in clear terms what we feel should really have been done.

On Wednesday, I said that the meeting of the European Council in Maastricht was a summit: it reached a

**Arndt**

summit of cowardice and national egoism. When I now see the resolution being tabled here on a Friday afternoon at 1.45 in a House in which there are fewer people than were present at the summit meeting in Maastricht, all I can say is this: the summit in Maastricht has now been joined by a summit of absence and so of non-urgency in this Parliament. The Socialist Group is therefore unable to vote for this resolution.

We do not intend to upset the proceedings in any way, but we shall be abstaining in the vote. I must admit that, on the question of absence, my group is certainly not setting a good example in this matter. But this is also true of the others. The Socialist Group will therefore be abstaining in the vote on this resolution.

**President.** — I call Mr Moreland for an explanation of vote.

**Mr Moreland.** — Mr President, I shall be supporting this particular resolution but, I have to say, with a certain reservation, for I find it somewhat overdramatic and reminiscent of a schoolmistress telling off naughty schoolchildren. The real issue, I would have thought, arising from the Maastricht and previous European Summits is really the value of the European Summit and the way it is approached — the fact that all Heads of Government go to that Summit buoyed up by their national parliaments and national press to fight — and I emphasize the word 'fight' — for their national interests. Needless to say, it ends up as a ten-sided battle of Waterloo, and the interpretation arrived at by each member government is reminiscent of the same battle — that is, who gets the victory is determined by each of the ten parties. I do think we have to bear in mind that many of the issues that in recent years have gone to the Summit and created a row, such as the British contribution problem, have then been quietly and more satisfactorily agreed on by, for example, the foreign ministers. The real issue before us is not whether there is a crisis in the Community but what the rôle of the European Summit is and whether it cannot be given a better approach.

*(Parliament adopted the resolution)*

#### 14. *Conservation of Antarctic marine resources*

**President.** — The next item is the report (without debate) by Mr Muntingh, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission to the Council (Doc. 1-626/80) for a decision concerning the conclusion of the Convention on the conservation of Antarctic marine living resources (Doc. 1-79/81).

*(Parliament adopted the resolution)*

#### 15. *Ninth report of the Commission on competition policy*

**President.** — The next item is the report by Mr Moreau, on behalf of the Committee on Economic and Monetary Affairs, on the Ninth Report by the Commission of the European Communities on Competition Policy (Doc. 1-127/80) (Doc. 1-867/80).

I call Mr Herman.

**Mr Herman.** — *(FR)* It is extremely disappointing that once again one of the fundamental aspects of the Treaty of Rome — competition — should be debated in circumstances such as these. I did prepare a speech, but I shall not make it. This seems to me at present to be the only way I have of showing how angry we are about the working methods of this Parliament, which endlessly debates subjects over which it has no influence and omits to discuss the matters it should be discussing.

*(Loud applause)*

That being so, I shall say no more than that I hope the Bureau will draw up an order of business for the next part-session which provides a more suitable occasion for debates which can be useful to the Community.

*(Applause)*

**President.** — Ladies and gentlemen, I have the doubtful honour to preside over the last few minutes of our proceedings under the old rules. When we meet again we shall have new rules, and I hope the proceedings will work better then.

I call Mr Tyrrell.

**Mr Tyrrell.** — Mr President, I entirely agree with what Mr Herman has said. Mr Moreau's report, into which a great deal of detailed work was clearly put by him and doubtless by the committee, was in fact ready on 29 January. Now this was a report on the Commission's Ninth Report on Competition Policy, which was published just about a year ago. The Tenth is due next week. I do not know what influence one thinks this Parliament is going to have on the Tenth Report if we are only just debating the Ninth, and I earnestly hope we shall be debating the Tenth by June so that our remarks and comments can be taken into account before the Commission produces the Eleventh.

Now I too was waiting last night to speak; so, indeed, at that stage was Commissioner Andriessen. The Community at large and those interested in competition have been waiting with some interest to hear what the new Commissioner in this important field had to say. Well, he obviously has not been able to be here today and we have been deprived of that opportunity.

**Tyrrell**

But, unlike Mr Herman, I am going to make my speech, even though I shall abbreviate it.

I propose to say a word about the Commission's procedures of investigation, because this is a part of the field to which Mr Moreau has given less attention. Now the test of procedures is their effectiveness and their fairness. The Commission procedures fall short in both those respects for reasons which merit a full debate, which I hope they will have.

I move the amendments standing in my name. They deal in general terms with the way in which these procedures are ineffective and unfair.

**President.** — I call Mr Arndt.

**Mr Arndt.** — (D) Mr President, we discussed this question yesterday, and I should like to raise it again today. Competition policy is one of the most important subjects that concern us, and therefore . . .

(Cry of 'Where is Mr Moreau?')

Mr Moreau is protesting against the way this subject is being discussed here — in the same way, Mr Klepsch, as the representative of your Group has just done. It is unacceptable that a decision should be taken on competition policy in a practically empty House.

I therefore request a further postponement of the debate, because anyone who takes the discussion of these problems seriously must have an interest in there being a genuine debate on the Moreau report in this House, with the Commission stating its views. We should therefore hold over this report until the next part-session and then ensure that a problem which forms the focal point of the European Community's policy is placed in the middle of the agenda, not at the end.

**President.** — Mr Arndt, I cannot accept this procedural motion because such a motion has already been rejected and it cannot be proposed again in the same part-session under Rule 12 (5).

I call Mr Prout.

**Mr Prout.** — Mr President, I, too, would like to echo what Mr Herman has said about the way this report has been treated.

I rise to support strongly paragraph 21 of the motion for a resolution. On 25 June, almost exactly a decade after the European Parliament first called for such a measure, the Commission adopted under Article 90 a directive on the transparency of financial relations between Member States and public undertakings. My

group is delighted about this. Equally, we deplore the legal actions of the French, Italian and United Kingdom Governments which have been brought before the Court in an effort to have this vital directive annulled. We urge all these governments to think again.

The Commission rightly recognizes the special threat to competition posed by public undertakings, especially in the field of State aids. In the present economic recession, Member States will be under greater pressure than ever to take action contrary to the Treaty rules to favour national industries. Unless such illegal means can be readily prevented, certain undertakings will gain unfair advantages, and as a result, the burdens of the economic recession, instead of falling equally on everybody, will be borne by private undertakings and by the public undertakings of those States that conscientiously respect Community law.

I have emphasized public undertakings and national aids because my Group regards this issue as of central importance, and we look to the Commission for further initiatives in this field in the next year.

I would also like to endorse what my colleague Mr Tyrrell has just said. We regard the procedure that the Commission uses in pursuing its investigations in the field of competition as severely defective in many respects. Unfortunately, there is no time to discuss them now, but some hints of the direction in which we should like to go is given in paragraph 7 of the report.

**President.** — I call the Commission.

**Mr Richard, Member of the Commission.** — Mr President, I have listened to the debate with the attention that the Commission gives to all the debates in Parliament, and may I say that I was fascinated by the sense of outrage and complaint expressed by Members of Parliament about the Parliament's Rules of Procedure and the timing of debates. Of course it is not for a mere Commissioner to say anything about the rules of Parliament! I would only say that we of course note what has been said in the course of this debate and insofar as it falls within our competence, or indeed our interests, we shall consider it most carefully.

It is a little difficult, Mr President, to know quite where to start at two minutes to two on a subject which so many people (at least of those that are present!) think is of great importance with regard to the Community's activities. Something has been said about State aids: perhaps I could say a brief word about that.

If it is to play its full role in the harmonious development of the economy of the Community, competition policy must, I suppose, above all be endorsed by the various social and political forces within the Community. It is for this reason that we readily

## Richard

subscribe to the idea of improving and stepping up contacts with the various interests referred to in the report. I accept indeed that there is a real case for disseminating more information on the main lines of competition policy, the evolution of which is possibly ill-understood at the present moment. The Commission is currently considering what would be the most appropriate ways of achieving this aim. Initially, at any event, the Economic and Social Committee, which brings together the representatives of employers and trade-union organizations as well as of commerce, would seem to provide an appropriate forum for a constructive exchange of views. The same goes for the Consultative Committee for the coal-and-steel sector.

Let me now say something about State aids. At the present time, the policy on aids is of particular importance for industrial reorganization in the Community. An analysis of the situation in industry in the Community demonstrates that an immense effort of adjustment is needed if Europe is to become competitive once again. The Commission's approach to State aids is fundamentally a positive one, both as regards aid for industries that are beset by serious difficulties and need to undertake major restructuring and as regards financial support and incentives for the high-technology and high-risk industries of the future, as well as for horizontal projects and measures satisfying the need for positive adjustment and the adaptation of industry in the Community. Over and above what has already been done in this respect, we are prepared to indicate the conditions under which the Commission believes such measures should be carried out, ensuring in particular that action to safeguard the single market is not jeopardized and that Member States' efforts to achieve economic convergence are not compromised.

It is not by any means our intention to encourage a proliferation of aids with this positive approach. On the contrary, there is, in the Commission's view, a danger that the tendency of States to outdo each other in aids may assume somewhat disquieting proportions, and this in turn may be detrimental to the positive impact of aids on economic development. It may in addition divert the financial resources available from efficient uses. The more a policy on aids is positive and open-minded towards justified measures falling within the categories mentioned, the more we think it must take a restrictive view as regards measures that would serve only to cancel the efforts being made in other spheres. That is why the Commission feels that the granting of specific aids as an instrument of macro-economic policy should in principle be avoided. Such aids generally pursue a purely national object and are not in the common interest. It has not been clearly established that they help either to reduce unemployment or to stimulate investment at Community level. As for their effects on the convergence of Member States' economies, they tend to be negative.

As regards the application of the competition rules to undertakings, the Commission endorses the position

adopted by previous Commissioners for competition, who were constantly concerned with stimulating cooperation in its positive forms within the framework of the competition policy, particularly competition between small and medium-sized undertakings.

In more general terms, the Commission will continue to give its approval to certain forms of structural cooperation, particularly those which are necessary if Community industries are to adapt themselves to international competition. These could, to an even greater extent than at present, be given exemption under general provisions.

The Commission also largely approves of concentrations designed to enable the undertakings in question to improve their competitive position. However, in order to avoid jeopardizing effective competition within the Community, it is now even more essential than before that the Community should be given fast and effective means of monitoring major international concentrations. We are, therefore, particularly grateful to Parliament for giving its continued support to the Commission's efforts in this respect, and we can only regret that the Council has not made greater progress with the proposal for a regulation on the supervision of mergers, which was submitted to it in 1973. In any event, it is our intention in the coming year to foster the political conditions which will enable progress to be made in the Council's work, and particularly by associating Member States more closely in the decision-making process in this crucial field. We are certainly not opposed to discussions with a view to possible improvements in the procedure for implementing the competition rules, which is currently a subject for concern both in the Parliament and in the economic and legal quarters concerned. However, we should like to express our concern that some of the proposals put forward as improvements may in fact result in a procedure which is longer, more cumbersome and more complicated.

Mr President, would such a development really be in the interests of the undertakings themselves? That is a question which the Commission is not only asking but endeavouring to answer.

Finally, may I say I am conscious of the opinions that have been so briefly expressed, particularly about some of the activities in the competition field, and one may look, for example, at some of the things that have been said in the London *Financial Times* recently. May I say this: the Commission is conscious that it has powers; it is also conscious that these powers are necessary, but they should be exercised with due discretion and with flexibility.

(Applause)

**President.** — I use my presidential prerogative, under Rule 8, to postpone this vote, and all other items on today's agenda, until the next part-session.

16. *Time-limit for tabling amendments*

**President.** — I propose that the House fix the time-limit for tabling amendments to reports on the draft agenda for the May part-session at 6 p.m. on Thursday, 30 April.

I call Mr Patterson.

**Mr Patterson.** — Mr President, as you will know, we vote on an entirely different basis in May and I want your guidance on the deadlines for those items on this month's agenda which are now being carried over to next month's agenda. It would be right, would it not, that all those are now re-opened for the tabling of amendments, including most particularly, the Carossino report?

**President.** — No, the deadlines for today were made and agreed by the House and they of course stand. They have passed now, so it will not be possible to make any further amendments . . .

**Mr Patterson.** — Mr President, the point is that in May we shall be voting on new texts: we shall then be voting directly on the Commission text. We have not so far, under our present rules, had the opportunity to table amendments directly to the Commission text, but in May we shall. Now you may rule that we can no longer table, for example on Carossino, any more amendments to our motion for a resolution, but you could not possibly rule that we cannot now table amendments directly to the Commission draft directive, and I hope you will decide accordingly. It is very important.

**President.** — I have no doubt, Mr Patterson, that your ingenuity will be applied to the new rules just as it is being applied to the old rules at the moment. I cannot accept the proposal that you have made, because the amendments have been correctly tabled, and there is no difficulty about proposing amendments to the Commission text under the old rules, for that matter. But all the amendments have been tabled, and that is that.

I call Mr Arndt.

**Mr Arndt.** — (DE) Mr President, thank you for your proposal. However, one minor point remains unclear, owing to translation difficulties. You have announced that the vote on the Moreau report has been postponed. I had asked to speak on this subject, and I therefore feel that you should give me the opportunity to speak to the report at the next part-session.

**President.** — I am sure that will be possible, if only as an explanation of vote, Mr Arndt, before the vote is taken.

I call Mr Price.

**Mr Price.** — Mr President, may I just pursue the point raised by Mr Patterson, because I am not sure that it has in fact been fully understood by the Chair? The point really is that there is now to be a vote on a document which as such was not previously before the House. That document is the Commission text itself. That would not under the old rules — and therefore in the form in which the matter was previously on the agenda when the deadline for amendments expired — have been voted upon. That is now a new document before the House, and surely a new deadline must be fixed for tabling amendments to a new document which will now be voted upon and which would not have formally been voted upon when the deadline for amendments expired.

**President.** — Your argument reveals that it is you who have not understood the rules clearly, not the Chair.

17. *Adjournment of the session*

**President.** — I declare the session of the European Parliament adjourned.

The sitting is closed.<sup>1</sup>

(*The sitting closed at 2.10 p.m.*)

*Corrigendum to Annex No 1-267 of 9 March 1981 to the Official Journal 'Debates of the European Parliament'*

Page 28: Point 3, fifth subparagraph, to read:

'Resolution by Mr TURCAT . . . ' (rest unchanged)

At the end of the subparagraph, add the following:

'(opinion on procedural aspects)'.

<sup>1</sup> For the dates of the next part-session and the approval of the Minutes, see the Minutes of this sitting.

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